

THE THEORY OF DISTRIBUTION AND CONSUMPTION

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PREFACE

THE greater part of the following inquiry into the theory of consumption was originally contributed to the *Statist* newspaper. In preparing them for reissue the articles have been revised, enlarged, and in some cases wholly or partially rewritten. Moreover, where matters of importance had not been dealt with or had been dealt with insufficiently new chapters have been added. But in their substance the contributions are as they were originally presented to the public; in other words, the ideas are the same; the enunciation only has been altered. No person can be more fully aware than I am of the disadvantages of this form of publication. I can only plead in excuse that when I began I had no intention of writing a treatise; that the work grew as I proceeded; and that, as I am a busy man, I shrank from recasting and reproducing in systematic form a work which must necessarily take a long time. At my age I naturally doubted much whether if I undertook it I should be able to complete the task. I have, therefore, decided to offer the papers to the public with all their imperfections, hoping that such as they are they may be of use to students of economics who are sensible of the shortcomings of the orthodox political economy. That political economy came into being under influences which have long ceased to exist. It is now an obstacle rather than a help; and, consequently, it is not surprising that it has fallen into disrepute. Indeed, it is openly rejected by a powerful political party.

The new conditions, and more particularly the growth of the United States, of Germany, and of Japan, make more urgent every day the need for a clear understanding of the theory of consumption, or, in other words, of the great causes which best promote the increase of the purchasing power of peoples. If the present publication, then, with all its incompleteness and want of system, helps to induce younger men to take up the work I have here little more than entered upon, I shall be more than repaid for my labour.

It may be objected that production in the economic sense is undertaken for the purpose of consumption, and that, therefore, the theory of production covers that of consumption. Even if the objection were true, it would not be pertinent. For consumption is the primary motive. Production is undertaken with a view to consumption. It is the latter which sets the economic machine in motion. Therefore, properly to understand economics it is necessary to study consumption independently, and as the cause, not the consequence, of production. Looked at from the scientific point of view, the procedure of the orthodox economists ought to be reversed. Consumption, being the motive of production, ought to be studied first to enable the student to understand accurately both the aim and the limitations of production. It is, of course, easy to understand now why the economists of the first half of last century reversed the process. But that does not alter the fact that they adopted an unscientific plan, and were led thereby into grave mistakes. As has been said, it is unquestionable that economic production is undertaken to meet the demand for economic consumption. But for all that the two processes are not different aspects of the same economic fact. They are distinct in their natures, the one being subordinate or ancillary to the other. Over-production, over-trading,

glutting of markets, are not mere phrases or imaginary conditions. They are realities which occur from time to time, and prove beyond doubt the existence of insufficient consuming or purchasing power. Indeed, the Tariff Reform movement is itself testimony to the existence of over-production at the present moment, for the leading complaint of its advocates is that foreign countries and our own Colonies protect themselves against British competition by raising against it walls of tariff; in other words, that British productive power is so overwhelming and so general that where it is unchecked by tariffs it kills the production of its competitors, while where it is checked by tariffs it is driven back upon itself and ultimately brought to nought. On the other hand, there have existed in all countries and in all times the poor, the needy, the indigent, the destitute, the pauper. It is quite true, no doubt, that production may be so defined as to cover every form of economic activity; such, for example, as the labour of a pauper, the singing or dancing of niggers on the sands of a seaside resort, even the destruction of life and property in a great battle or a great siege. Likewise, the theory of production might thereby be made to include the theory of consumption also. But such exhibition of mental agility would contribute little to the instruction of the world. It would be much more likely to increase the disrepute into which political economy has fallen than to help to a solution of their difficulties those who are anxiously pondering how the miseries of mankind can be abated. I do not, of course, mean to deny that whatever promotes production helps in some degree, whether great or small, to increase the purchasing power, and, consequently, that the theory of production and that of consumption overlap at points. Neither do I deny that in qualifying a pauper or a pauper's child to consume more than he consumed in the past is to add

to the producing power of the world. But overlapping does not prove the identity of sciences. It is common to many sciences. It is unnecessary to pursue the matter further. I trust I have made clear enough to the reader the distinction between consumption and production and the need that exists for a scientific enunciation of the true scientific principles of consumption.

Hitherto, economists have devoted their attention almost exclusively to the theory of production, as perhaps under the circumstances was inevitable. Without wishing in the least to deny the influence of the French school, yet it is not going too far to say that it was in this country that political economy won its greatest triumphs, colouring opinion for the better part of a century, and powerfully acting upon legislation and administration. In this country, as it happened, the growth of the factory system was not only earliest, it was beyond comparison more rapid and more far-reaching than elsewhere. While other countries remained almost purely agricultural, manufacturing on a great scale made England and Lowland Scotland largely urban. And it gave the towns a political power much exceeding anything that had been witnessed anywhere in Europe since the fall of the Middle Age cities of Italy and of the Flemish cities during the struggle against Philip of Spain. The immunity of this country from invasion, the accumulation of capital owing to the long continuance of internal peace, the existence close together of vast iron and coal fields, and, above all, the extraordinary inventions of the eighteenth and nineteenth centuries, gave to the manufacturers of Great Britain a power of production unequalled elsewhere. But for more than a generation this pre-eminent power of production was neutralised to a great extent by the scarcity and dearness of food, and the want of cheap means of transportation. The wealthy middle class was in consequence

interested in political economy; through the writings of the economists was brought into antagonism with the landowners; and as it was rich enough to compel attention to its wants it naturally enlisted in its service a host of able men. To it, however, consumption appeared to be a secondary matter. It saw that production was held in check by the Corn Laws and similar measures. It hoped that if these were swept away prices would be so much lowered that the purchasing power of the world would be greatly increased. As a result, surprisingly little consideration was given to the means of increasing consumption by the great British economists, although upon the Continent, and more particularly in France and Prussia, it interested statesmen and thinkers more than did the encouragement of production. The jealousy and emulation excited by the extraordinary progress made by England and Lowland Scotland in the latter part of the eighteenth and the earlier part of the nineteenth centuries induced most other countries to set up Protection in the hope of creating independent industries at home, and protecting those industries from British competition. Not only has this been done by foreign competitors, it has been done by our own self-governing Colonies likewise, with the result that, though the Tariff Reformers exaggerate extravagantly the injury done to British manufactures, yet injury has been done, and more particularly the productive power of this country has been hampered and restricted by the exclusion of our manufactures from so many markets. In the forties and fifties of last century the injury done to our manufactures was removed, firstly, by the adoption of Free Trade; and, secondly, by the introduction of the railway and the steamship. Gradually, as has just been said, the advantages of Free Trade have been lessened by the protective systems adopted abroad, and gradually also the marvels

effected by the railway and the steamship have been nearly completed. The work urgently needed now is to effect in another way what the railway and the steamship accomplished half a century ago. They brought within the reach of our traders distant markets all the world over. Now there is need for the creation of still greater markets nearer home by increasing the purchasing power of the poor.

The disrepute into which political economy has fallen during the lifetime of the past generation is due to many causes, among the rest to the extravagant claims made on its behalf as the alleged cause of the wonderful prosperity the world has enjoyed since the middle of last century; to the insularity of the economists who took no note, or next to no note, of what was happening upon the Continent and in our Colonies, and who were supremely ignorant and exceedingly little interested in the economic history of past times at home and abroad; to their mistaken view of what wealth is; and to the intolerance of their followers. But perhaps the most powerful cause of all was the method they adopted. Apparently because so much of what is called wealth consists of external objects, they took for granted that political economy, the science of economics, the science of wealth, the science of exchange, or whatever it may be called, was a science of the mathematical kind, and they applied to it, therefore, the purely deductive method. As a matter of fact, it is a purely mental science. It deals only incidentally with external or objective things. It really concerns itself with subjective things; in other words, with moods of the human mind. Of these moods desires are undoubtedly the most important. Indeed, nothing can be wealth which does not in some way gratify a human desire. But there are many other moods which are, or at all events ought to be, subjects of careful study by

the economist. Of these others, perhaps invention stands foremost, since it is continually calling into existence new forms of wealth, and putting out of existence old forms of wealth. Custom, likewise, exercises an immense influence in the domain of economics. Indeed, in backward countries, and also in the more backward portions of the populations of advanced countries, custom largely determines the value of exchangeable things. Political institutions, furthermore, exercise a boundless influence. Slavery, for example, makes human beings articles of wealth, while the abolition of slavery destroys at a stroke immense possessions. Changes in religion, again, play a very great part not only as regards the religious feelings and the religious observances of the people affected, but also as respects the political, not less than the economic, domain. How powerfully the welfare of the inhabitants of the Roman Empire was acted upon by the acceptance of Christianity is known to every historical student, and to come down to later times and our own country, the Reformation in England and Scotland put an end to the trade in priests' vestments. It is unnecessary to continue the catalogue. It is enough to remind the reader how profoundly from time to time business in all its forms is modified by expectations, apprehensions, likes and dislikes, guesses, and so on. During the past half-century or so the proportion of wealth which does not consist of external material objects has so enormously increased, that at present the non-material exceeds considerably the material wealth. Again, any reader needs but to go to a museum of antiquities to convince himself that wealth is a purely subjective thing, created by human sentiment, and stripped of its attributes likewise by human sentiment. He will see a countless multitude of things which once were eagerly coveted by mankind, which now are regarded as useless. He will

even see things the very use of which can only be guessed at. Again, if any reader without leaving his arm-chair will think for a moment he will see how invention invests articles with the halo of wealth and strips others of all pretensions to it. Without going into details it will be enough to remind the reader of the rapidity with which silver is losing much of its value. A century ago, outside of England, almost all the money of the world consisted of silver. Since Germany discarded silver as the standard of value and adopted gold, her example has been followed by nearly every country in the world that wishes to be considered civilised. The consequence is that the value of silver is now only about two-fifths of what it was fifty years ago. Again, it used to be a common thing for African savages to exchange ivory for glass beads. The white trader laughed at the silliness of the black man for exchanging what he considered so valuable for what he looked upon as so worthless. As a matter of fact, there was no value in either but the imaginary value set upon both by human ostentation. The glass beads were as difficult to be obtained by the African savage as the ivory was by the white man, and each was prized because of its supposed beauty. Articles of wealth are such, partly, because of their use either as food or as clothing; partly, because of the religious uses to which they are put; partly, because they minister to human vanity and human ostentation. But even those that most of us admit are useful, such, for example, as articles of food, may themselves completely lose value if something that men prefer is introduced. It is only a few centuries since tea was first introduced into this country. Again, in strictly Mohammedan countries intoxicating liquors have no value. In a strictly vegetarian community the flesh of animals would have no value. All value, then, is simply an attribute given to it by the human mind. It follows that

the science of value, or wealth, or exchange, or whatever title be preferred, is a purely subjective science, and that the method of studying it ought to be the method of observation and induction. In the following pages, therefore, I have rigorously abstained from the employment of the deductive method. I have based my whole argument upon actual experience, and generally upon quite recent experience, the knowledge of which is open to all the world, and which, therefore, does not lend itself to intellectual tight-rope dancing, or to misrepresentation. Every one who is interested in the subject can study for himself the facts to which I appeal for support of my conclusions, and everybody, therefore, who will give it the necessary time and thought is in a position to judge of the worth of the argument.

CONTENTS

PART I

THE UNITED KINGDOM

CHAP.	PAGE
I. INTRODUCTION	1
II. CAUSES OF NATIONAL PROSPERITY	18
III. PRODUCTION LIMITED BY CONSUMPTION	31
IV. EXPERIENCE OF PRUSSIA AND JAPAN	42
V. THE WORKING OF PROTECTION	53
VI. EDUCATION	69
VII. EDUCATION—(<i>continued</i>)	81
VIII. EDUCATION—(<i>continued</i>)	91
IX. EDUCATION AND OPPORTUNITY	100
X. EDUCATION—THE SCHOOLS	110
XI. PROMOTION OF HEALTH	120
XII. THE LAND SYSTEM	129
XIII. CONSERVATION OF NATURAL RESOURCES	142
XIV. FACILITIES OF COMMUNICATION	155
XV. BANKING FACILITIES FOR THE FARMER AND SMALL TRADER	169
XVI. DESTITUTION	177

PART II

INDIA

XVII. INDIA	188
XVIII. INDIA—(<i>continued</i>)	199
XIX. INDIA—(<i>continued</i>)	210
XX. INDIA—(<i>continued</i>)	221
XXI. INDIA—(<i>continued</i>)	231
XXII. INDIA—(<i>continued</i>)	241
XXIII. INDIA—(<i>continued</i>)	251
XXIV. INDIA—(<i>continued</i>)	262

CHAP.	PAGE
XXV. INDIA—(<i>continued</i>)	274
XXVI. INDIA—(<i>continued</i>)	285
XXVII. INDIA—(<i>continued</i>)	296
XXVIII. INDIA—(<i>continued</i>)	307

PART III

THE CROWN COLONIES AND PROTECTORATES

XXIX. BRITISH EAST AFRICA AND UGANDA	317
XXX. BRITISH EAST AFRICA AND UGANDA—(<i>continued</i>)	327
XXXI. BRITISH EAST AFRICA AND UGANDA—(<i>continued</i>)	336
XXXII. EGYPT	346
XXXIII. EGYPT—(<i>continued</i>)	356
XXXIV. THE SOUDAN	368
XXXV. THE WEST INDIES	378
XXXVI. THE WEST INDIES—(<i>continued</i>)	390
XXXVII. THE MAURITIUS, THE STRAITS SETTLEMENTS, AND HONG- KONG	400
XXXVIII. RHODESIA	410
XXXIX. WEST AFRICA AND NEW GUINEA	422

PART IV

THE SELF-GOVERNING DOMINIONS, COMMON-WEALTHS, AND UNIONS

XL. CANADA	433
XLI. SOUTH AFRICA	445
XLII. AUSTRALIA	457
XLIII. THE EMPIRE	471
XLIV. IMPERIAL EDUCATION	485
XLV. CONCLUSION	495

THE THEORY OF DISTRIBUTION AND CONSUMPTION

PART I THE UNITED KINGDOM

CHAPTER I

INTRODUCTION

MODERN European civilisation is threatened just now by the most formidable danger it has ever yet encountered. As it has grown and spread it has brought thoughtful people to see that all classes in a community are dependent upon one another ; that, therefore, the safety of the whole requires prosperity in each ; that, in spite of that, unfortunately, the lot of the poor is everywhere dreary in the extreme ; that they are condemned to unending toil ; that their remuneration for it is scanty ; that their surroundings are unsanitary ; and that, in a word, while they have few enjoyments they are exposed to a shocking amount of preventable disease and suffering. The result of all of which is that even those whose lot is most enviable suffer because of the poverty, ignorance, and ill-health of the great majority. Thus the advance of civilisation has impressed upon all serious thinkers, whatever their position may be, the urgent necessity for a great policy of social reform. It is little to the credit of British states-

manship, or of British originality of thought, that the adoption of such a policy has been much slower in this country than in some others, in large measure owing to the extravagant belief in the efficacy of political mechanism, but perhaps even more to the extreme individualism which has for long been the fashion amongst the upper and middle classes of English-speaking peoples; the belief in which extravagant theory was strengthened by the orthodox economists who exercised so great an influence upon public opinion throughout the greater part of last century, and who, it will be recollected, belonged almost all to the middle classes.

In Germany the adoption of a policy of social reform was much earlier and has been carried through much more thoroughly than elsewhere. In Prussia, it will be recollected, the Government has devoted itself to social reform unweariedly ever since the disaster of Jena, and when Prussia annexed the other German States and created the new German Empire, she proceeded to apply to the newly acquired territories the policy which had worked such wonders at home. No doubt the extension to the whole empire of universal liability to military service and the rapid growth of Socialism influenced her councils. But the real influencing causes were, it seems safe to say, the fruits borne at home by the course of action so steadily followed. Not long after the great war against France and the establishment of the Empire, Germany under Prussian leadership entered upon a policy of social reform, the leading measures being education and insurance against old age, sickness, and incapacity. At first the general feeling in other European countries was decidedly unfavourable to the innovations of Germany, which were stigmatised as State Socialism. But as Germany grew in wealth and population the policy that at first was sneered at came to be widely copied. All over Europe,

indeed, to-day the German policy has been imitated in whole or in part. The adoption of a great policy of social reform has, of course, added greatly to the national expenditure in every case.

Moreover, the action of Germany in another way has increased still more remarkably the governmental expenditure. Germany had long had the greatest Army in Europe. The South African and the Russo-Japanese wars decided her to build a great Navy. Other nations, likewise, made up their minds to construct considerable navies. Naturally, the British people felt that they could not remain behind. The very existence of the Empire depends upon command of the sea, and the activity of so many foreign Powers in building navies makes it imperative to keep the lead. Our activity in turn gave a spur to activity abroad, and thus the competition in naval construction has grown at an alarming rate. In the current year the total expenditure of the United Kingdom is estimated at £181,284,000. If the present naval and military competition continues, and if the policy of social reform is pursued, it seems certain that the time is not very far distant when our national expenditure will exceed 200 millions sterling per annum, not including the Budgets of all the local authorities throughout the three kingdoms. In France, Germany, Austria-Hungary, Italy, Russia, etc., the growth of expenditure is on a similar colossal scale. Consequently, thinking people are anxiously asking themselves what is to be the end of a competition so ruinously costly? Already it has produced very grave consequences.

Perhaps in no country in the world is the income-tax more disliked than in France. Yet France has added to her extremely high protective duties, has imposed quite novel direct taxes, and, nevertheless, has been compelled to propose an income-tax, much as it is disliked. In

Germany, it will be remembered, the new Navy was largely built by means of loans. But the growth of the German debt, together with the decline in the credit of the Empire, warned the Government at last that dependence upon borrowing might be carried too far. Accordingly, the administration of Prince Bülow introduced a Budget increasing the national taxation by as much as 25 millions sterling per annum, and this Budget was approved by the Federated Governments. It was, however, rejected by a Coalition of the Agrarians and the Centre Party, and another was substituted for it largely increasing the Customs duties. Everybody will remember that Prince Bülow had to resign. It is loudly declared, of course, that all this does not mean Parliamentary Government in Germany. Perhaps not; but it constitutes a very long stride in that direction. At all events, it makes it impossible to say truly for the future that the Imperial Chancellor is responsible only to the Kaiser. At the same time, the opposition to high Customs duties throughout the general population of Germany has increased, while the growth of Socialism is exciting apprehension. Indeed, the belief is very general that at the next Imperial elections there will be a very large increase of the Socialist section in the Reichstag.

Here at home, Mr. Balfour's Ministry saw plainly that a reform of the Army, an increase of the Navy, and the adoption of a policy of Social Reform were all imperatively necessary; and, consequently, that there must be a large increase in taxation. But Ministers were divided as to the best means of raising the requisite revenue, and the Party supporting them was even more inveterately split in twain. The result was that the Cabinet had to resign, and the General Election which followed gave a surprisingly large majority to the Liberals. The Liberal Government announced at once its intention to pursue

a great policy of Social Reform, and it was driven by circumstances to engage in the fierce naval competition that is constantly growing. The result was that it had to come to Parliament with a demand for increased taxation to the amount of about 16 millions sterling per annum. The Budget so introduced was denounced by the Opposition as unjust to the owners of property, unequal in its incidence, and, in short, as Socialistic. The Opposition, furthermore, suggested as an alternative policy Tariff Reform, which is only another name for the discredited one of Protection. To this alternative it is objected, firstly, that it would not give the revenue which is required ; and, secondly, that it would create a dangerous state of feeling in the country. It is pointed out that both Parties are in favour of Social Reform on the express ground that the working classes are not able to provide for themselves healthy homes and a decent style of living ; that, therefore, the task has to be undertaken by the whole community ; and that, consequently, to throw a considerable part of the burden of Imperial defence and social reform upon the working classes would be to mock them. In other words, it would offer a gift with one hand and take it away with the other. For if the working classes are not able to provide themselves with healthy homes and decent living, it is clear that they cannot afford to contribute more than they are asked to do at present to the defence of the Empire. From all of which it is concluded that the burden has to be borne by the classes which are best able to bear it, and which, in taking it upon their own shoulders, are, in fact, securing their own leadership in the country and in the Empire. They have already a monopoly of every great position, whether of power or of profit ; and if now they patriotically contribute the larger share necessary for the defence of the Empire and the improvement of the condition of the people they will

secure the same monopoly in the future. The Government Budget was carried through the House of Commons by large majorities, but was rejected by the Lords. The throwing out of the Budget, as the resumption of a privilege which had long been in abeyance, caused grave apprehension amongst thoughtful men because of the light it threw upon the temper of the classes which look to the House of Lords as the bulwark of their vested interests. In one sense it may be compared to the abolition of the Tribunitiate by Scylla, but from another point of view it was more full of menace, because Scylla's act was at the close of a ruthless civil war, whereas the Budget was thrown out in the midst of peace and in defiance of the policy sanctioned by such leaders as the great Duke of Wellington and Lord Salisbury. What followed is so recent that it is unnecessary to recite it at any length. Dissolution took place almost immediately, and there necessarily ensued a General Election, which, as every one expected who was not blinded by Party spirit and fear for self-interest, gave the Government a majority of 124. As a matter of course, the Upper House had to bow to the will of the country and to pass the Budget. But it affected to believe that the people had not decided on the question of the Veto, and it obstinately opposed the Bill for that purpose. Party passion became dangerously high when the death of King Edward evoked such a strong expression of public feeling that the contending Parties had to refer the question to a Conference between their leaders. The Conference, however, as the reader knows, came to naught, and just eleven months after the rebuke administered to the Lords by the constituencies another General Election was held which slightly increased the majority given to the Government at the previous voting. Even these two condemnations of the conduct pursued by the Peers have apparently not availed

to convince them of their misunderstanding of the will of the people. At all events they are still offering a futile opposition to the measure which has been so strongly endorsed by the electorate.

It will be seen from this very brief and imperfect summary that the policy of Social Reform and the naval and military competition have already produced results in the leading European countries which are profoundly disquieting to all serious thinkers. They have everywhere to some extent set class against class. Fortunately, it is only to some extent ; for neither the rich nor the poor are united on this matter in any country. It would, indeed, be a danger of the first magnitude if they were. Every one will remember how the civilisation of both Greece and Rome broke down because of the unbridled animosities against one another of the privileged and unprivileged portions of the several populations. Even in Athens, the city which gave birth to the most brilliant civilisation the world has ever seen, it will be in the memory of every reader how the conflict between the rich and the poor never died out, though for a time the Democracy seemed to be completely triumphant ; how the struggle was renewed again and again ; how at length the greatness of Athens came to an end ; and how, thereupon, Greek civilisation began to decline. Furthermore, every student of Roman history will bear in mind how undying was the antagonism,—first, between the Patricians and the Plebeians ; and, afterwards, between the wealthy and those but ill-endowed in worldly goods ; and how it ended in a military despotism which called into existence a crushing bureaucracy which extinguished free thought and public spirit, and thereby brought the Empire to a condition somewhat similar to that of China in our own day. The triumph of the Barbarians was, in truth, not a conquest but a migration, for Rome was no longer able

to offer serious opposition, any more than in our own time China has been able to oppose Russia when she took possession of Port Arthur, or Germany when she seized Kiao-Chau, or Russia, again, when she occupied Manchuria, or lastly, Russia and Japan together when they fought out their quarrel in the latter province—the very cradle of the Dynasty. Since the time of the Second Empire in France it has been the fashion to whitewash the Roman Imperial Government. Beyond question the bureaucracy introduced by the Empire was better than the Pro-Consular misgovernment under the Senate, for, in truth, nothing could be worse than the senatorial system, with the accompaniment of revolutions, civil wars, massacres, proscriptions, and plundering of the provincials. But it is only necessary to look at the exhaustion of the Provinces in four centuries to see how utterly bad was the Imperial system likewise. The history of the Italian Republics of the Middle Ages reproduces with startling fidelity the most striking features of that of the Greek City States. The strife between the rich and the poor everywhere extinguished public spirit, and ended by bringing the republics one after another under the degrading yoke of despots. Nobody can seriously doubt that if there were to be a life-and-death struggle between the rich and the poor in modern Europe it would lead to a catastrophe at least as destructive as in any of the three instances referred to. And nothing is so well calculated to provoke such a struggle as an attack, real or supposed, upon property.

As civilisation increases and education becomes more general it is impossible to believe that the poor will be content to remain in the condition in which they are at present, in which the late Sir Henry Campbell-Bannerman estimated that nearly one-third of the inhabitants of the United Kingdom live upon the verge of hunger. Even

if we look upon the estimate as exaggerated and say that only one-fourth are so situated, it is a condition so deplorable that nobody can expect the people to continue to live in such a state, the more particularly as the suffering people cannot fail to note that every Government in Europe, and consequently every institution in Europe, has had its rise in conquest. A powerful class or powerful classes may allow other classes to participate in their political privileges, trusting that real power will always pertain to the rich. As a matter of fact, since the time of King John the history of England has been a history of the gradual admission of the subject classes to some of the privileges formerly monopolised by the aristocratic classes. But while privileged classes may yield a portion of their privileges, they seldom permit an encroachment upon their properties. When property is believed to be attacked the rich are apt to become desperate because of the fear that loss of wealth will not only strip them of many, if not most, of the enjoyments of life, but, by depriving them of the power to reward or punish the needy, will take away from them also their political influence. The situation throughout Europe at the present moment, therefore, is grave beyond dispute.

Fortunately, there is one great safeguard against the danger. It is, as has already been said, that neither the rich nor the poor are united. In this matter it is the rich that count most, for the rich have means of influencing the poor in innumerable ways, and therefore of dividing them. The real safeguard for modern European civilisation is that the rich are not united, and, so far at all events as our own country is concerned, in all reasonable probability will not unite for the purpose of restoring Protection. To confine attention for the moment to the United Kingdom, it may be pointed out that both the great Parties in the State are agreed that a policy of

Social Reform is urgently necessary. Furthermore, both are equally agreed that whatever is necessary must be spent upon the Fleet to make it supreme at sea. There is, then, no question as to the propriety of spending whatever money may be needed on these two objects—Imperial Defence and Social Reform. It is when we come to the means of raising the requisite money that the difference of opinion arises. As everybody knows, the Government is raising the larger part by means of direct taxation, which is denounced by the Opposition as injurious to property. On the other hand, the Opposition propose Tariff Reform. Now it is obvious that Tariff Reform cannot give the necessary revenue unless very heavy duties are imposed upon food and upon the raw materials of manufacture. Our imports are very large, and, therefore, in actual amount it is true that our imports of even manufactured goods are large. But compared with the total of our imports the imports of manufactured goods are relatively small. Last year they amounted to £156,855,613, or 23·0 per cent. of our total imports. Consequently, even very heavy duties on these would not give the revenue required. Indeed, if the duties were very heavy they probably would shut out the greater part of such imports, and thereby reduce the revenue derived from such as enter to insignificance, while it is obvious that moderate duties would not give anything like the revenue required. On the other hand, the total value of the imports into the United Kingdom in 1910 was £678,440,173, and therefore, if the revenue necessary to maintain our supremacy at sea and to carry out a great policy of Social Reform is to be obtained from Customs duties, the whole of those imports would have to be taxed. In other words, there would have to be a considerable duty upon all food and raw materials imported. But if duties such as would give the large revenue needed were

to be imposed upon all kinds of imported food, the effect upon the poorer classes would be very serious. It is estimated by careful inquirers into the condition of the poor that from a quarter to one-third of the population of the United Kingdom lives on the verge of hunger. To make the cost of living higher for this large proportion of the population would be inhuman and politically dangerous. Some reckless Tariff Reformers maintain that duties would not increase the cost of living, contending that they would be paid by the foreigner, as if the foreigner is so much in love with the British people that he would send his goods to them at his own charge. The inflated prices that prevail everywhere, and more particularly in the countries with high protective duties, prove conclusively that import duties are paid, not by the foreigner, but by the consumer; and as the poor constitute the vast majority of the consumers of the United Kingdom it is they who would have to pay by far the larger part of those duties. As soon as that became apparent is it not reasonable to expect that the poor would accuse the rich of having introduced Tariff Reform for the purpose of getting rid of the land and other taxes to which they are opposed, and shifting the burden of Imperial Defence and a great policy of Social Reform on to the shoulders of the poor? Can any person with even an ordinary amount of public spirit desire that such a feeling should be created amongst the struggling classes throughout the country? Even if the poor did not indulge in reprisals against the rich, is it not highly probable that at least they would insist upon the repeal of Tariff Reform and the imposition of taxes which would fall entirely, or at all events mainly, upon the rich? And would not that be likely to prove the beginning of a war between classes?

Over and above this, if the duties on raw materials were too heavy, that would drive most manufacturers

into the Liberal Party. We are constantly being reminded by Tariff Reformers that even at the present day the competition of Americans and Germans with our manufacturers is exceedingly keen ; that they have, in fact, to put forth all their energies to hold their own. But if we raise the prices of the raw materials of our manufactures against ourselves by imposing upon them heavy import duties, we shall make it still more difficult for our manufacturers to maintain the competition against the United States and Germany. In this country we produce but a very small part of the raw materials of our manufactures. We draw our raw cotton, for example, from distant countries, such as America and Egypt ; we draw a large part of our wool from Australia ; we obtain a considerable proportion of our raw iron from Sweden, Spain, and other foreign countries ; we import our jute from India, our wood from the north of Europe, and so on. That being so, if the cost of raw materials were much raised foreign competition would grow more and more formidable, and the danger would arise that our trade might fall off. It is reasonably certain, therefore, that Tariff Reform is calculated to estrange all well-informed manufacturers. Indeed, everybody knows that it was the dislike of the great industrial and manufacturing centres of Midland and Northern England and Southern Scotland that secured for the Government its victory at the last two Elections. The circumstances being such, it seems safe to say that the danger of a real life-and-death struggle between the rich and the poor, in this country at all events, is very small. Throughout our history a portion of the rich has always been intelligent enough and public-spirited enough to see that a war of class against class, however it might eventuate, would end in the ruin of the country. In consequence of this we have been able to carry by agitation, public meeting, and discussion, changes which

in any other country would have meant revolution, and it is reasonably certain that what has been the case in the past will continue to be the case in the future, and that a portion of the rich will see as clearly as a similar portion of their predecessors has seen in the past that patriotism, common sense, and self-interest all prescribe to them the duty of being guided not by alleged self- or class-interest, but by the interest of the whole community. Those who act so will prevent the apprehended struggle from degenerating into a war of class against class—and they will gain their reward. They will continue to be the leaders of the people, with all the advantages which that implies. They will make class hatred impossible; and they will secure the country against domestic disturbance.

In addition to this it cannot be doubted that many of those who have allowed themselves to be hounded into support of Fiscal Reform have little liking for the policy of those who have captured the Party. They must see that while in all Protectionist countries Socialism is strong, there is no Socialist Party in England. It is true that a section of the working classes call themselves Socialists. But they are so little Socialist in real sentiment that their representatives act in Parliament consistently with the Liberal Party. But if we were to make food dear and to make employment scarce also by putting heavy duties upon raw materials it is to be feared that a real Socialist Party would quickly appear and before long would become strong. Not only, therefore, have we grounds for believing that manufacturers will not give countenance to Fiscal Reform, but we have some ground also for hoping that many Fiscal Reformers will themselves stop short of anything likely to foment class dissensions. Indeed, fomenting class dissensions would be the height of madness. Suppose Fiscal Reformers were able to force another Dissolution, and at the following General Elections succeeded

in obtaining a majority large enough to carry Fiscal Reform, does even the most sanguine Fiscal Reformer believe that that would end the struggle? Convinced Free Traders would unquestionably enter upon a great agitation to repeal the measure just carried. And if, as has just been shown would certainly happen, Fiscal Reform made the cost of living dear, as high Customs make living dear in all Protectionist countries, then the working classes would feel that they had been deceived, and a large proportion of them at any rate would join in the agitation to repeal Fiscal Reform. Then questions would be raised as to the origin of property; how far its owners were justified in pushing their rights, and to what extent it would be equitable on the part of the State to restrict property rights. In short, a multitude of questions would be raised at public meetings on matters going to the very root of Society which no sensible man would willingly raise. And if once such questions were raised, who can say how far they would be carried, or to what results they might lead? It seems utterly incredible, for these reasons and others that might be given, that even fanatical Fiscal Reformers will push matters so far as to challenge the raising of such questions.

Turning to another point, it may be remarked that Fiscal Reformers seem to fancy that this country has such extraordinary natural resources that, were it not for Free Trade, it would be impossible for other peoples to compete with us. If they really believe that, they are under a grave misconception, for, as a matter of fact, this country has no exceptional natural resources. Its only advantages over other countries are the possession of very valuable coal and iron mines lying close to one another which fortunately happened to be worked before other countries started working their mines. That gave to England a lead in manufacturing which she still retains. But it is

to be recollected that already British iron mines supply only a portion of the raw iron required by British manufacturers, and that British coal mines are by no means so long-lived as those of some other countries. Furthermore, it is important to bear in mind that British manufacturers labour under great disadvantages compared with those of the United States, of the Colonies, and generally, indeed, of all new countries. The whole United Kingdom is very small in extent—is a trifling fraction, in fact, compared with the area of the United States. It is an old country, too, every inch of whose soil is owned by some person or corporation; and its population is very dense. Over and above this, our land laws are peculiar. Therefore, rents are very high, and the owners of land which contains minerals are able to extract large royalties for permission to work the mines. As a consequence of all this, rents in large towns and industrial centres generally are a heavy burden to manufacturers. As an illustration it may be noted that for a considerable time past manufacturers have been deserting London and moving northwards, mainly, it is said, because of the heavy burden of rents, rates, and taxes. In addition to this, the farmer has to pay a heavy rent for the land he cultivates. Even our railways have had to pay extravagant sums for permission to construct the lines which are absolutely indispensable for the prosperity of the country. If, then, we contrast the case either of the tenant-farmer in this country with that of the so-called farmer who is really a peasant proprietor in the United States or in the Colonies; or the case of a British manufacturer with that of an American or colonial manufacturer; or that of a British railway with that of an American or colonial railway—we see that our capitalists in every case are at a serious disadvantage compared with the American or the colonial. Fiscal Reformers ignore all this. They argue, as already said, as if they

believed that our natural resources are incomparably greater than those of other countries; and that, consequently, it is to Free Trade alone that is attributable the keenness of the competition to which British manufacturers are now subject. In short, they are so ignorant of the real economic condition of the country, and so wanting in imagination and constructive skill, that they can find nothing better to recommend to the country than the policy which in the thirties and the forties of last century arrayed the great towns of this country against the landed interest, and which in our own time is helping to make inordinate the cost of living in the United States, in Germany, and in France. But the real weakness of the Tariff Reform case is that it is based almost entirely upon Party tactics. Originally, Tariff Reform was recommended to his constituents by Mr. Chamberlain as a means of promoting some kind of federation between the Mother Country and the Daughter Countries of the Empire. On that ground the recommendation did not make much way with the public, and whatever force it might have ultimately gained was made impossible by the action of Sir Wilfrid Laurier, who over and over again has stated that Canada does not wish the Mother Country to do anything that would be injurious to British interests. On the contrary, he has declared that as Canada claims for herself the right to regulate her own fiscal system according to Canadian interests so she desires that the United Kingdom shall regulate its fiscal system in the interest of the United Kingdom alone. Gradually, therefore, the value of Fiscal Reform in the interest of Imperial federation has been less and less insisted upon, while its importance as a means of preventing foreign competition with the United Kingdom has been pushed to the front more and more. But as the leading Tariff Reformers are Party men and not economists they fail to understand that they contradict themselves.

That this is the case future chapters are intended to show. Meantime, although, for the reasons already stated, a war of classes is in the highest degree improbable in the United Kingdom, it is yet possible that the agitation for Tariff Reform, if prolonged, may do much mischief. The great majority of people are so occupied with their own affairs that they have little time for giving their minds to such abstruse and complex questions as those included in economics. They are, because of that, not trained readily to detect fallacious reasoning and ungrounded assumptions. It is possible, consequently, that they may be led astray, and that considerable mischief may be done before they find out how completely they have been misdirected. Therefore, it is the duty of all who are qualified to do so to take their part in making clear to the busy man of all classes who is interested in the subject yet has not time for profound study the real causes of national prosperity. In the hope that it may serve to do this to some small extent, the following contribution to the science of consumption is offered to the public.

CHAPTER II

CAUSES OF NATIONAL PROSPERITY

To prepare the way for an intelligent discussion of the main topic of this work it may be advisable to state clearly and shortly what are the causes which enable countries to become powerful and great. It is quite clear that those causes cannot consist of mere fiscal policy. At the present moment, for example, we have proof conclusive that countries may be great and prosperous both under Free Trade and under Protection; and, on the other hand, we have equally indisputable proof that countries may be sunk in misery both under Free Trade and under Protection. The greatness of countries is not made by human legislation, though human legislation and human statesmanship may enable a people to take advantage of the laws of Nature and rise to greatness thereby, both political and economic. Neither is greatness made by religion, race, colour, or geographical position, as is proved at the present moment by reference, for instance, not only to European Powers but to Japan, China, and Persia. The real cause of greatness is the character of the people; and the main thesis of the present work will be an inquiry into the causes which produce the character that makes a people exceptionally prosperous and great. As has been pointed out towards the conclusion of the foregoing chapter, Tariff Reformers are Party men who have never given attention to economic matters until those matters become important from a class or a

Party point of view. Therefore they have very easily been deluded into the belief that the prosperity of the country may be increased by shutting out foreign competition. How little such a policy would avail can easily be shown.

During the last forty years of the eighteenth century England ceased to a very considerable extent to be an agricultural country, and became the greatest of commercial countries, as well as a great ship-owning, trading, financial, and manufacturing country. In the first half of the nineteenth century the progress of England threatened to be stopped by the difficulty of feeding the large town populations. Much had been done by constructing canals and building roads to bring provisions to the towns. But the real problem of enabling the towns to grow was not solved until the railway was invented. Our country being the foremost in capital and in enterprise, immediately seized upon the new invention, and before it had completely constructed its own great railway network it began to build railways for the rest of the world. As we took the lead in railway building, so we took the lead in the great prosperity which railway building ushered in. If the reader will think for a moment, he will see that it would have been impossible for six or seven millions of people to crowd together on about a hundred square miles here in London, and to be fed and clothed regularly and easily, if the railway and the steamship had not come into existence. The same is true of the great manufacturing centres in Lancashire, Yorkshire, and generally the Midlands and the North of England and the South of Scotland.

The introduction of Free Trade, in spite of the opposition of the landed classes—at that time much more powerful classes than they are now—and largely also in spite of the moneyed classes, made such an impression

upon the generation which witnessed it that superficial observers attributed to Free Trade much more than it was capable of effecting. It would be a grievous mistake, all the same, to deny the important part which Free Trade played in the great development of the middle and end of the nineteenth century. The railway was the immediate source of the new development. But it was the character of the British people which enabled them to grasp at once the full significance of the railway and to turn it to the world's use. Free Trade helped enormously. It is perfectly true that without the railway and the steamship the starving people of Ireland in 1847, 1848, and succeeding years could not have emigrated in such numbers as they did. Neither could the disaffected peoples of the Continent, after the abortive revolutions of 1848, have found new homes in the New World. But once Irishmen and Continentals crowded into the United States they helped to build the railways which made the great expansion of the United States possible, and as population moved more and more westwards and, consequently, production grew, the fact that the greatest market in the world was open to the produce of every country that chose to cultivate for it had an immense stimulating effect, firstly, in settling the newly-opened-up districts, and secondly, in enabling the new settlers to live and make profits. True, it would have been impossible to open up the United States, Canada, and Argentina as they have been opened up if the railway and the steamship had not come into existence. On the other hand, every thinking person will agree that neither the United States, nor Canada, nor Argentina could have been settled as they have been settled in the short space of sixty or seventy years if there were not a very great market open to all the produce which they could send to it. Free Trade, then, helped to enrich this country by encouraging the new countries to pour into its markets

their varied productions. It also helped the growth of the new countries by giving them a market for all the produce they could raise. Lastly, it helped materially to foster the growth of the older countries, such as Germany. The German people have very great qualities, and the throwing open to them of the markets of the whole British Empire, with its three or four hundred millions of people, enabled them to grow both in numbers and in wealth in a fabulous manner.

More than this, the article in the Constitution of the United States which forbids any one State to charge duties upon the goods of other States—in other words, which establishes Free Trade within the United States—greatly helped the growth of the United States. Similarly, the foundation of the German Empire must have contributed materially to the growth of Germany, since it got rid of all obstacles in the way of internal trade. Over and above all this, it seems so plain as to hardly need to be stated, that the removal of Customs barriers, and all other obstacles, must of itself stimulate trade. Two things clearly are necessary to trade—great markets (in other words, a vast consuming power) and great producing power. The great producing power was called into existence by the succession of marvellous inventions during the eighteenth and nineteenth centuries, and more particularly by the invention of the railway and the steamship; and access to the great markets was also provided by the same instrumentality. But it was Free Trade which opened the ports of the whole British Empire to the rest of the world. The great gold discoveries, firstly, in California and Australia, and, subsequently, in the Ural Mountains and South Africa, have very powerfully contributed to increase the beneficent effect of the railway, the steamship, and Free Trade. So has the construction of the Suez Canal. So has the opening up of Japan and

China. So has the British peace in India. And, of course, so have all the minor discoveries and inventions which have been so numerous and so rich in effect since the middle of the eighteenth century. But these all combined have been small in result compared with the invention of the railway and the steamship, which together have abridged distances and made the cost of carriage trifling.

It is often argued that England has stood almost alone in the adoption of Free Trade, and that other countries at least as intelligent, and recently as progressive, have held aloof from it. Well, does not a similar line of argument prove conclusively that Protection is not in any sense of the word the cause of the prosperity of those countries? If the experience of England standing alone does not prove the potency for good of Free Trade—and it must frankly be admitted that it does not—neither does the experience of the United States, Germany, Belgium, and so on prove the potency for good of Protection. For the present condition of Russia is there to show that a country may be sunk in the deepest distress though it has great natural resources, and what is more germane to the present argument, although it is one of the most Protectionist countries in the world. In conclusion, it need only be said that, just as extreme and foolish Free Traders brought Free Trade into discredit by claiming for it what never belonged to it, so Tariff Reformers are alienating sensible people by claiming for Tariff Reform what it never can effect. A people of great character can prosper highly under either Free Trade or Tariff Reform. A people without high character cannot prosper under the one or the other. What all persons who desire the welfare and greatness of their country should labour for is to raise incessantly and by all means in their power the character of their people. They should insist upon the very best

education being given ; upon the teachers being themselves highly qualified and highly trained for the work they undertake ; upon the methods of teaching being the newest and the most scientific ; and upon the subjects taught being those best qualified to raise the people intellectually, morally, and physically. If people will labour earnestly for those objects they may leave both Free Trade and Tariff Reform to take care of themselves. If they really elevate the character of the people of the United Kingdom they will have done all that is necessary to secure them prosperity at home and greatness abroad.

It is often asked by opponents of Free Trade whether it has stood the test of experience. It is difficult to understand how such a question can be put by educated people, unless on the assumption that they misapprehend the objects for which Free Trade was introduced. It was adopted not in the hope that it would itself directly promote trade, but simply in the belief that trade was being strangled by Customs obstructions, and that the removal of those obstructions would give to trade the opportunity for which it was languishing to expand successfully. That this was so is proved conclusively by the fact that the great popular movement which swept away Protection was originally and practically all through directed against the Corn Laws which enhanced so grievously the cost of living. As soon as the Corn Laws were repealed the battle was won and full Free Trade was rapidly established. In short, the founders and leaders of the Anti-Corn Law League were manufacturers, merchants, bankers, and so on, who were profoundly convinced that Customs duties made food and raw materials so dear that it was impossible for business to grow as it was ready to grow if the artificial fetters imposed upon it by law were stuck off. That having been the object of those who won Free Trade, it ought not to be necessary

to enter into any detailed argument to show that Free Trade has been fully justified by experience. It is enough to say, therefore, that our foreign trade is the greatest now existing, or perhaps that ever has existed; that we are, beyond comparison, the greatest carrying country in the world; that we are first in shipbuilding, first in manufactures, first in accumulated wealth; and that our country is the clearing-house and the banking centre of the whole world.

Reference has already been made to the tacit assumption by Tariff Reformers that this country is exceptionally gifted by Nature; and a partial reply has been given to the assumption. It may be worth while in this place to discuss the matter more fully, and thereby to make it clear upon what causes national prosperity depends. To judge by their writings and speeches, not a few Tariff Reformers seem to fancy that England has been endowed by nature with such superior economic advantages that, were it not for the stupidity and perversity of public men, she would necessarily stand so high above all other nations that they could not successfully compete with her. As a matter of fact, England does not possess great natural advantages. Her commercial superiority has been very largely due to accident.

The United Kingdom is very small. Its whole area is only 121,371 square miles, or about 3·3 per cent. of the area of the United States. Its climate is not exceptionally good. Its geographical position is such that until the Norman Conquest it was continually being invaded and conquered. Practically, therefore, the strong Government established by the Conqueror has insured this country ever since against foreign invasion, and has also prevented civil dissensions. Englishmen as a rule have been so long secure that they are unable to realise the magnitude of the debt they owe to the strength of their Government.

As a matter of fact, however, it has largely been the making of England. As all classes have been prevented from fighting with one another as well as from levying blackmail, those of them who did not inherit wealth were compelled to work in order to live, and thus generation after generation grew up law-abiding and industrious. Every now and then, it is true, the population outgrew the means of subsistence, and then the nation annexed Ireland and Wales, or rushed into war with Scotland or France. Ultimately, however, Scotland became united to England, and France grew too strong to be invaded. Then the people of this country had to devote themselves to trade at home and to colonisation abroad. The policy of the strong central Government, its long connection with France and its ambitions in that country, the geographical position, the lessons learned from past invasions, all combined to favour maritime enterprise, which in turn promoted foreign trade. The very early importance of the foreign trade is testified to by the number of great nobles descended from successful merchants. Still stronger evidence is afforded by the rise of the towns to political influence and representation in Parliament. The country's really great natural resources are but two—large coal and iron fields lying close together. These fields are small compared with others, particularly those of the United States. But as they began to be worked before foreign fields they gave an immense impetus to English trade, and enabled the English people to get the start of all competitors in manufactures and in sea power. Sea power won for us large foreign possessions and great Colonies, all of which helped mightily to aggrandise our trade. But as our trade expanded we became more and more dependent upon oversea lands for food and raw materials. Moreover, our country is so small that long ago it was fully settled, and every inch within

it became the private property of some individual or corporation. Therefore our traders of all kinds, as well as our workers, have to pay heavy rents and royalties for carrying on their occupations. Within England and Wales alone we had in 1911 a population of 36,075,269 persons, being nearly 618 persons to the square mile. These figures make it clear that the country cannot grow enough of food for them all. It has been said already that the agitation in the forties of last century was largely an agitation of the hungry, led by business men anxious to free trade from its obstructions, and it was necessitated by the impossibility, under the then existing land laws, of growing enough food at home for the rapidly increasing new mouths which the factory system had called into existence. As our trade has expanded the impossibility has become more and more pronounced. Yet, to carry on our great industries, to raise the coal and iron and other minerals from the bowels of the earth, and thereby to feed our people, very large amounts in rents and royalties have to be paid. Have Tariff Reformers realised how heavily all this handicaps us in our competition with a new country like the United States? Have they considered what will be the consequences of disillusionment when it is found that Tariff Reform will not work the wonders promised in its name? And are they prepared for a complete overturn of our land system?

To understand how heavily we are handicapped let us turn to the United States. We find a country nearly as large as the whole of Europe, with, according to the preliminary report of the Census of 1910, a population of 91,972,266, or 30·3 persons to the square mile. Therefore every square mile in England and Wales has to support 618 persons, while in the United States it has to

support only 30·3, or, to put the matter a little differently, an English square mile has in some form or other to

find a livelihood for 20·4 times as many persons as every square mile in the United States. There is in the great Republic, moreover, a multitudinous variety both of climate and of soil, and consequently the country produces almost everything that man requires. Of recent years there has been a vast accumulation of wealth in the hands of a very few. Therefore in the great cities, such as New York and Chicago, the condition of things is similar to that to be found in English cities. But in the rural districts there is scarcely any landlordism. The land, speaking in general terms, is owned by the cultivators, who have not to pay heavy rents for permission to cultivate ; and it is the same with most of the mineral wealth of the United States. Over and above this, there is no non-productive class in the United States. Here with us a very large proportion of the wealthy are not producers. On the contrary, they are drawing their means of livelihood in the form of rents, royalties, and the like, from the real producers.

In the United States, as just said, the land generally is worked by its owners. It is possible, therefore, to cultivate unskilfully and in a cheap way. No doubt this is exceedingly injurious to the lasting interests of the country. But it enables the peasant proprietor to cultivate very cheaply and to undersell European competitors. More than this, there is no loafing class in the United States. No doubt in the United States, as well as here at home, there are unemployables, and there are loafers of a low class who will not work. But loafers of a high class are very few, for public opinion is strongly against the existence of an idle class. Lastly, the United States is so happily placed that it need not keep up a large army and navy if it did not choose to do so. Here we have to keep up a very large Navy, and we have to be prepared to maintain our hold over our foreign possessions

by means of an Army. But the United States is three thousand miles from Europe, and many more thousands of miles from Asia, while north and south of it are communities much less numerous and much less powerful than it is. To conclude our survey, it may be said that the American people have always been laudably in favour of education. It has been said that when founding a town the first thing done is to build a school and a church. Anyone who has travelled through the United States and has kept his eyes and ears open must have been struck by the magnificent provision made for schools, colleges, and universities of all kinds. Of late we also have been bestirring ourselves to build new universities. But we have a good deal of leeway still to make up. Is it really a cause for surprise that a people so happily situated as those of the United States have made unprecedented progress since the railway and the steamship came to revolutionise business? Would it not rather be wonderful if a people of English blood and English traditions had failed to make an extraordinary advance? Does anybody seriously believe that the United States owes its prosperity to its fiscal system? The United States must have prospered whatever fiscal system it had adopted. It makes grievous mistakes, not in Customs duties only, but in banking, in currency, and in many other things. Yet, costly as its mistakes are, they do not keep it back for any length of time, because the land produces wealth in such abundance that all losses are rapidly made good. Moreover, owing to the popularity of education and the recognition that science can minister to business, the Americans are exceptionally inventive. Is there need to say that invention is the most powerful instrument of progress?

Coming, in the last place, to Germany, it may be pointed out that Germany has been made by Prussia,

and Prussia has been made by the Hohenzollerns. Originally a small Principality, with a trying climate and a soil not very fertile, Prussia has been so trained, disciplined, and educated by the genius of a remarkable family that it grew into a great military Power, which, in the sight of jealous neighbours, was able to reconstitute the German Empire. Prussia forms two-thirds of the German Empire. It was the extraordinary reforms of Stein and Hardenberg, which followed the disaster of Jena, which prepared Prussia for the great victories in 1866 and 1870, and made her the predominant Power upon the Continent. Long before Prussia drove Austria from the Confederation and dismembered France she attracted the attention of all thoughtful observers by the excellence of her educational system. She has continued since to improve that system. And she has so indoctrinated her people with the importance of education that they have applied science to the service of trade in a manner superior to that of any other country. The war of 1870, furthermore, gave to Prussia an indemnity of 200 millions sterling, which enabled the new Empire to sweep away all the separate monetary and banking systems, and, while leaving the separate States a good deal of autonomy, yet welded together the whole Empire and established throughout it Free Trade. There is the same system of banking and currency and of trade laws everywhere, and there is no Customs barrier to hinder business. Germany, like England, has been made by a Government of extraordinary strength, and, upon the whole, of considerable foresight. The United States, on the contrary, has been made by a free people who would not submit to the regulations of a Government becoming too martinet. The Germans, with all their great qualities, find themselves cooped up in an area which has no natural frontiers and is exposed to grave

dangers on every hand. The Americans, on the contrary, possess a territory which yields to none in the world in regard to natural resources. And its extent is so vast that it has room for a very large growth of population, while to the south there are still larger territories yet available. Prussia furnishes a striking illustration of what a highly intelligent Government can do by means of an iron discipline. The United States furnishes an equally striking illustration of what a free people, springing from a civilised, intelligent, law-abiding stock, can achieve by means of private enterprise and individual initiative. In neither case, however, have fiscal systems much affected national destiny.

CHAPTER III

PRODUCTION LIMITED BY CONSUMPTION

THE assertion, so loudly made and so constantly repeated, that Tariff Reform would bring increased employment to British labour and capital has manifestly made a great impression on a very large number of persons. People who are not accustomed to think out problems for themselves are captivated by the argument that, if sufficiently high duties are imposed on goods imported from abroad, which formerly used to be made in this country, the now dead industries will be revived and increased employment will be given to both labour and capital at home. To such persons the argument seems unanswerable. Surely, they urge, if industries not now existing are created they must give additional employment. Yet, clear as the matter seems to the superficial thinker, nothing is more certain than that an increase in the cost of living cannot possibly augment employment either of labour or of capital. If all the industries which once existed in this country and are now dead or dying, or even any large part of them, are to be revived simply by imposing such duties on the foreign importer as will make it impossible for him without loss to undersell the British producer, then it is clear that the prices of all those goods must be raised to the level which will enable the British producer to sell at a profit; in short, will give him a monopoly, or something very like it. But if everybody has to pay more for those goods, everybody will have

less to lay out upon other things, and, as a necessary result, either everybody must do without some of the things everybody now uses, in which case there will be a reduction of employment, or everybody will go on living as at present, by so doing will save less, and, as a consequence, there must be a smaller amount added to the accumulated capital of the country year by year, in which case we shall become less and less able to make head against foreign competitors. Over and above this, if foreign importers are prevented by high duties from bringing into this country certain goods, that will put an end to as much employment at home as it will call into existence. Foreigners do not send us their goods from pure benevolence. They send them to get an equivalent, and the equivalent usually takes the form of British goods exported from this country. If the foreigner cannot sell to us either directly or indirectly the goods he now sells he cannot exact payment, and, consequently, the British goods which used to be sent him in payment will no longer be sent. As a result, there will be as much reduction in the employment of British labour as there will be increase from the revival of dead industries. There will thus be two sets of causes reducing employment; the rise in prices consequent upon the high duties will prevent the poor and the merely well-to-do from enjoying as many comforts as they do at present, and the falling off in their purchases will necessarily reduce employment, while the shutting out of foreign goods will put an end to the manufacture of British goods to pay for the former, and, therefore, will reduce employment at home. It is surprising that even partisans, who take up with a light heart so grave a matter as the fiscal policy of the country in the interest of mere party, do not see the impossibility of increasing employment by enhancing the cost of living; but it is

to be recollected that few of the advocates of Tariff Reform have ever, until it became a party question, given serious thought to any economic subject. Therefore, perhaps we ought not to wonder that they flounder when they suddenly engage in so unaccustomed an exercise. If they had a little more knowledge of economics they would recognise that production is limited by consumption, and that, therefore, unless in some way or other consumption can be augmented, the mere increase of production will do no good; on the contrary, in all reasonable probability will do very much harm. That all this is true ought to be as plain to everybody who thinks as any proposition in Euclid.

In every country in the world there occur from time to time wild outbursts of speculation—booms, or overtrading, as they are variously called. In every case the booms break down before very long, simply because the demand has not been based upon consumption. On the contrary, the rise in prices has been brought about by purchases made on credit in the hope that fresh purchasers may come forward. The consumption of the world, however, does not increase by leaps and bounds as prices rise in times of boom. After a while, therefore, it is found that new purchasers do not come forward, and the house of cards comes to the ground. Similarly, after every great war there is a period of depression, due to the fact that the war had given a great impetus to the production of *matériel* of war, and when hostilities cease the consumption of such *matériel* ceases likewise. As a result, all who had invested capital in the production suffer. In the same way, a great famine or other natural disaster is followed by a depression in trade. The famine-stricken are unable to buy on the old scale, and, consequently, manufacturers, importers, wholesale dealers, and the like are all plunged into difficulties. In illustration of what has just been said

the reader may be reminded that in the early part of 1907 trade in India was exceedingly prosperous, and the demand for cotton piece-goods in consequence was large. As a natural result an unusually large quantity of these goods was sent out, and the export of them received a fresh stimulus when the monsoon burst very favourably and continued highly favourable throughout July and August. At the end of the latter month, however, it suddenly stopped, and the consequence was that famine supervened and famine relief works had to be started and continued throughout the greater part of the following year. The outcome of all this was that the demand for cotton piece-goods dried up, the importers were overloaded with them, and it took a long time before the whole was completely got rid of. Nothing, however, so well illustrates the truth of what has just been said as the history of invention. Invention replaces some process by another cheaper and more effective. Therefore, it puts the old process out of use. After a while the demand for the old ceases altogether, so completely has the substitute taken its place. Any one who will give a little time and study in a museum of antiquities will see this in its most convincing form. Not only will he see specimens of things once highly valued which now are no longer made; but he will come upon other things the very use of which it will be impossible for him to guess. The progress of the world, in short, depends upon invention, and invention is the substitution of one process for another. The discovery of the mariner's compass gradually put an end to the using of rowing boats in the open seas. The sailing ship after a few centuries was displaced by the steamship. It is true that the sailing ship has not gone completely out of use. But it is so little used in comparison with the steamship that it may almost be regarded as a thing of the past. However that may be, the point to be insisted upon here is that it is the dying

out of consumption which condemns old processes to extinction. It is unnecessary to add to these illustrations. Everybody conversant with business will be able to adduce very many others from his own experience. Yet Tariff Reformers delude themselves into the belief that they can permanently increase employment not by augmenting consumption, but simply by swelling a production which, according to their own argument, is already so excessive that it has killed important industries here at home.

There is this much to be said in excuse for the Tariff Reformers, that the orthodox political economists, the men who last century exercised such a sway over political thought, paid extremely little attention to the science of consumption, distribution, or whatever it is to be called. They did not, of course, altogether neglect it. But they did not give their minds to it. With the exception of Mill, the most influential of them were content to recommend the opening up of new markets. Partly they were influenced by the fact that they belonged to the middle classes—that is, the producing classes. As such they realised fully the obstacles in the way of growing trade, and doubtless they flattered themselves that if Customs duties were repealed prices would necessarily be reduced, wider markets would be reached, production on a great scale would lower costs, and the resulting cheapness would stimulate consumption. Furthermore, it is possible that they feared to engage too deeply in the study of the science of consumption, or distribution, lest they should bring upon themselves the suspicion of being revolutionaries. But there were other and far more powerful reasons why they went astray in this respect. In the first place, they were singularly insular. In England and southern Scotland the passage from home industry to the larger manufacture took place in the latter part of the eighteenth century. Therefore, Great Britain was when those

economists wrote economically far ahead of the rest of the world. Consequently, they assumed that the economic evolution of Great Britain was normal, whereas it was quite abnormal. For example, they assumed that in every advanced economic country the population would naturally fall into three classes—landowners, capitalists, and workpeople. One consequence of this was that they disregarded the economic development of other countries. Perhaps the most striking illustration is afforded by their inattention to the great land reforms upon the Continent. There would, perhaps, have been little ground for wonder if they had put aside as an abnormal and purely revolutionary development what had been done in the way of transferring land from the Church and the nobles to the peasantry during the French Revolution. But one would think that the land reforms of Prussia would at all events have fixed their attention. Yet it failed utterly to do so. Nay, more, not only did they disregard the contemporary economic history of foreign countries; they equally paid no attention to the economic development of countries in the past. Even the early and medieval development of our own country was passed quietly over by the writers who exercised the greatest influence. No doubt the economic history of the past is obscure, scanty, and disappointing. Still, something might have been made of it. Yet it was almost entirely slighted. It is little wonder that the writings of these men should have lost vogue, and that their authority should now be only a shadow of what it once was. Another grave defect of the British economists of last century was that they took a wrong view of the nature of wealth. They assumed that wealth is material; and furthermore, that the science of wealth is of the nature of the mathematical sciences. As a matter of fact, wealth is not material. Wealth is created by human skill and human labour. Things that are abundant and require

the application of no human labour do not constitute wealth. In other words, the science of wealth is a science relating to man's dealings with exchangeable things. It is a science, moreover, of the moral kind. It is a science, that is to say, which is affected both by human capacity and human desires. The last great defect of the British economists of last century to which attention need here be called is that as a result of their mistaken view of the nature of wealth they adopted an utterly wrong method. In dealing with the science of wealth they treated it as a deductive science, whereas it is purely an inductive science. It is a science of observation pure and simple; of observation not only in the present but of observation also through history in the past. Having gone off on a wrong track from the start given by Adam Smith it is not difficult to understand why and how they treated as demanding little or no attention the science of consumption or distribution. Their neglect has been imitated by their successors with the result that political economy has fallen into disrepute, not undeservedly. There is urgent need now that the mistakes of the orthodox economists should be repaired, and that, in particular, the science of consumption or distribution should be exhaustively studied.

The neglect of the orthodox economists in the respects to which attention has just been called is the more difficult to make readily intelligible because, as has been pointed out above, a redistribution of wealth had for a considerable time been occupying the best thought not only of economists, but of statesmen upon the Continent. And in the most advanced countries the latter had the courage to act upon the conclusions at which they arrived. Everybody knows how the French Revolution gave the lands of the Church and of the aristocracy to the people. It may be objected that the French Revolution proceeded by violence and was mainly inspired by politics. No doubt that is true.

But taken for all in all, the French Revolution was the fullest in human interest of any episode in history. Even the struggle between Marius and Sylla, with all its attendant massacres and proscriptions, pales before it. At its inception the rising in the name of liberty of a whole people who had long tamely submitted to be trampled upon by the privileged classes sent a thrill of hope and exultation throughout the subject classes of all Europe. Shortly afterwards the horrors by which it was accompanied called forth an alarm and a reaction which lasted longer than the dream of brotherhood that had preceded them. In the political domain the fascination of the French Revolution lasts even to this day. But, strange to say, the British economists were blind to its teachings in respect to their own special subject, and passed it over as if it were a nightmare. However, my business here is not to analyse the causes of that Revolution, but to seek out the best means of increasing the purchasing power of a people. If any reader, therefore, desires to brush aside the French Revolution as an instance of the madness which sometimes seizes a whole people, I will raise no protest, satisfied with having cited a striking illustration of the entire incapacity of the orthodox economists of last century to deal with the subject which they took upon themselves to teach. Happily, there is a less disputable illustration of what has been said in the great reforms of Stein and Hardenberg in Prussia—reforms which prepared that kingdom for the great rôle it has since played in the world. It is hardly necessary to remind the reader that they aimed at calling into existence an intelligent and prosperous people. From the point of view from which these reforms are here being looked at it does not matter that the end aimed at was the reorganisation and the strengthening of Prussia. The point which it is desired to make is that consumption, or distribution,

was occupying the best thought of continental Europe in the early part of last century, and that it attracted so little attention here at home demonstrates how insular and narrow-minded were the orthodox economists. At the same time, it must be added in their excuse that when the orthodox economists wrote this country exceeded all others in manufactures so much that they must not be too severely blamed for thinking that foreign competition would not become serious for many a long day, and consequently, that production was for the moment far more important than consumption. But since then the growth of trade everywhere, and the consequent accumulation of wealth, have been so great that the country is now face to face with formidable competitors. Nearly all commercial countries, even the British colonies themselves, have built up walls of tariffs against the Mother Country. And, as a result, foreign markets, if not closed against British merchants, have been much restricted. Furthermore, there is little of the world now to appropriate. Moreover, what has recently been appropriated is not able to buy from our traders on a very great scale. In short, the well-to-do countries try to build up industries for themselves by shutting out foreign competition, while the very backward countries are necessarily not very profitable customers. Tariff Reformers see all this very dimly, and they think they have found a remedy when they recommend retaliation.

The true policy, as it is proposed to show, is to apply ourselves to promoting the well-being of our own people ; to do, that is to say, what the foreigner cannot prevent us from doing, and to do it where, if we work wisely, we are certain to succeed. The British Empire contains, in round numbers, somewhat over 400 millions of people. Therefore, if we use all our resources to prevent war and to develop the resources of the Empire, we have within it markets that will give adequate employment to our people for an

indefinite time to come. To begin with the heart of the Empire, the United Kingdom, the reader will remember that the late Sir Henry Campbell-Bannerman estimated that nearly one-third of the population lives on the verge of hunger. He may, perhaps, have exaggerated; but there can be no question that a lamentably large proportion of the people is sunk in great poverty. Assuming, for the sake of argument, the estimate stated above, one-third of the population would come to about 15 millions of people. It is obvious that if we could increase the consumptive power, or the purchasing power, or whatever phrase be preferred, by even a very small amount, this would give an impetus to our whole trade which would lessen immensely the problem of unemployment. Just consider the matter a little more in detail. The populations of Holland, Belgium, and Switzerland added together amount roughly to 15 millions, or somewhat over. We have in these islands, according to the late Prime Minister, a population practically as large which is sunk in such extreme poverty that it lives habitually on the verge of hunger. It would be thought an immense acquisition if British trade was to become supreme in the markets of Holland, Belgium, and Switzerland. Yet we do very little to cultivate a home market quite as large, if we reckon only the mouths to be fed and the backs to be clothed. Is it not worth while doing something to increase the purchasing power of so very great a market?

Turning next to the oversea dominions of the Crown, and leaving out the self-governing colonies, which have the exclusive control over their own legislation and administration, let us observe the immensity of the market we have in these possessions, and how very little we do to cultivate it. We have in India alone 315 millions of people. True, they are exceedingly poor. They are so largely because the right measures have never been

adopted to lift them out of their misery. Foreign conquest, misgovernment, and internal anarchy were the rule until the British Raj was established. It has maintained order, given security to life and property, made law supreme, and introduced the beginnings of education. As a commencement it is excellent. But it has not gone far enough to increase materially the purchasing power of the vast majority. Until it bestirs itself more, the Indian people will remain poor. But it must not be forgotten, at the same time, that the consumption of 315 millions of people, however poor they may be, amounts to a great deal, and, allowing for all that is produced in India itself, there is still room for a great increase in the imports from abroad. Consider how very little we are doing to broaden the Indian market and those other markets which consist of the other portions of the Empire which are not self-governing. The population of Europe exceeds $410\frac{1}{2}$ millions. In the British Empire, therefore, we have a population about as numerous as all the populations put together of the whole of Europe. Yet people talk of the necessity of finding new markets; which closely resembles the practice of those American farmers who are so impatient to grow rich that as soon as they have exhausted the richness of the soil of their farms by continuous cultivation, without manuring, pass on to untouched districts. If we would only cultivate our own markets we have an almost inexhaustible mine of wealth.

CHAPTER IV

EXPERIENCE OF PRUSSIA AND JAPAN

THE reader, may I venture to hope, has been convinced by the foregoing pages that the only effectual way of increasing the employment both of labour and capital, and thereby sensibly raising the well-being of the whole population, is to augment the consuming power of the people. Fortunately there are presented to us in the recent history of Prussia and Japan two illustrations of how this can be, and in actual fact has been, successfully accomplished. On the other hand, in the recent history of Russia there is an illustration of failure to accomplish it, an illustration which enables the student to verify the conclusions drawn from the first two cases. Turning first to the history of Prussia during the past hundred years, the reader will find that it is full of most valuable information for those who would direct their energies to the improvement of the condition of the people. Beforehand, one would naturally say that few countries in the world are less likely to prove to be a good field for an experiment in nation-making than Prussia. The population of Brandenburg, the nucleus of the kingdom, is Germanised Slav. In the provinces farther east, the process of Germanising subject Slavs is still going on, and from the feeling the process is exciting among the Poles we may judge what a firebrand it proved in earlier times. In the western portion of the kingdom the population is a mixed German and Celtic race. Therefore we see that the population to be experimented upon was not homogeneous. Over

and above this, the climate is severe, the soil is not specially fertile, and the kingdom itself is without natural boundaries. Even under the most favourable circumstances, then, the experiment to an onlooker would not have seemed promising. Moreover, at the time when Stein and Hardenberg began the great reforms which have worked such wonders, the country lay helpless under the heel of Napoleon. Yet in two generations Prussia became so strong that she drove Austria out of the Germanic Confederation; she dismembered France and held her to ransom; and after making war upon the smaller States of Germany she united all of them under her sway, thereby constituting one of the most powerful empires in the world. The reforms which have had such consequences within so short a time may be said, in the main, to have been three: the making military service universal and obligatory, the introduction of the most excellent system of education the world theretofore had seen, and the transformation of the serfs into peasant proprietors. The present writer believes that not only is universal and obligatory military training good for a people, and especially for a people a very large proportion of which lives in towns and is employed in sedentary occupations, but that universal and obligatory military service, if it were adopted by this country, would be a great safeguard of peace. At the same time, it must be admitted that the circumstances of Prussia when Stein and Hardenberg set to work differed so greatly from the existing circumstances of the United Kingdom that it is hardly permissible to argue that because universal and obligatory military service has worked so well in Prussia it must also and necessarily work well here at home. To give but one reason, Prussia being at the mercy of the Emperor Napoleon, was allowed to keep up only a small standing army. If she was to regain independence it was necessary for her to create a

very great army in some way or other, and therefore she evaded her treaty obligations by inventing universal obligatory military service. That being so, the reader is free, if he chooses, to put aside universal obligatory military service as a device more political than economic, intended to evade a galling prohibition. There remain the other two great reforms : the improvement of education and the establishment of a peasant proprietary.

The Prussian educational system was recognised as the best in the world by all thoughtful observers long before its efficiency from a military point of view was proved either at Sadowa or at Metz. Indeed, the rise of Prussia after the fall of Napoleon was so manifest and so strikingly sudden, that even in the abortive Revolution of 1848 the leadership of Germany was offered to her king. The system of education did not confine itself to mere literary study. It included both scientific and technical education. It recognised, moreover, that the training for business of the employer was as requisite as that of the employee, and it provided for both. In its result it has made the Germans painstaking, hard-working, persevering, and thorough. It has caused them to realise that business can best be advanced by calling in the aid of science. And it has impressed upon them that in every walk of life, civil or military, good organisation is indispensable. The Prussian Government has never tired, and never rested for a moment in promoting and improving its educational system and educational methods. The Prussian Government likewise has placed its services always at the disposal of trade. The Prussian railway system is in the hands of the Government, and it is worked with a view to promote trade. The *Seehandlung* is a Government bank which is always managed in the interest of trade. The diplomacy of Prussia first, and of the German Empire since, is always ready to help German trade. The result

of all this has been accentuated by the establishment of peasant proprietorship, which has created a loyal and contented people, has given those composing it a stake in the country, and has laid deep and sure the foundations for the admirable educational system which was introduced at the same time, and which has provided the very best material for the universal obligatory military service invented contemporaneously. In closing this brief sketch it is pertinent to remind the reader that the rise of Prussia and the welding together of the separate German States into an Empire were effected without high Customs duties. It was not until eight years after Austria and France had been struck down, and the Empire had been constituted, that the first protective tariff was adopted. Moreover, it was avowedly adopted to secure a larger revenue, not to promote wealth. Indeed, so eager was Prince Bismarck to increase his revenue that he earnestly desired to create a tobacco and a spirits monopoly. But he failed. Furthermore, the last tariff, the one now in existence, was forced upon Prince Bülow by the Agrarian party, and was strongly opposed by the commercial community and the working classes. The Prussian Governmental system has its drawbacks, as the growth of Socialism abundantly shows. But at all events it has produced a bureaucracy of wonderful efficiency, it has created the finest army in Europe, and it has turned out the best educated people in the world.

The rise of Japan is even more wonderful than that of Prussia, and affords still more valuable lessons for the instruction of those who are willing to give to it the necessary study. Little more than half a century ago Japan lived secluded from the rest of the world, jealously forbade foreigners to land upon her shores, and in her internal organisation continued in a state somewhat resembling that of Europe in the early Middle Ages. A small American squadron compelled her to open her ports,

and suddenly her people made up their minds to discard their own civilisation, their established policy, and the entire Constitution of the Empire. The kind of Mayor of the Palace, in whose hands was the Government, was deposed; the great feudal chiefs had to lay down their power; the Emperor was brought back into public life; a Constitution modelled on the European pattern was granted; a Parliament was called into existence; an army and a navy were created, the first after the German pattern, the second after the British; European instructors were temporarily employed to organise the public offices after the European manner; furthermore, education on European principles was introduced; above all, picked young men in very considerable numbers were sent to Europe and America to study Western science, Western methods, and Western organisation, and to bring back the results for the benefit of their country. For a long time most observers refused to believe that in little more than a single generation a country of the medieval type could be transformed into one of the modern European type. But the alleged miracle was accomplished. Tsushima and the battles in Manchuria proved conclusively that, at all events, in naval and military matters Japan has learned the lesson to which she set herself with the most brilliant success. In business matters also she is recognised by the most enterprising to be an exceedingly formidable competitor. Education, it will be noted, has been almost the only instrument employed by Japan in raising herself to a foremost place in the comity of nations. When she began the task she set herself she was so weak that a few American men-of-war compelled her to renounce a policy she had maintained for two centuries. The other day she destroyed the Russian Navy, and in a series of great battles defeated in every case immense Russian armies. But in bringing herself up to this pitch of efficiency she relied

almost entirely upon education. She studied European and American institutions in carrying out her political reforms. She avowedly took as models European organisation in the navy and the army. Not the less certainly she fashioned her educational system as well as her educational methods upon European and American patterns. Prussia and Japan were instigated to enter upon great reforms by very nearly the same motive, namely, the desire to live their own lives without coercion from outside. Prussia found that economic revolution was as necessary as either military or educational. But in the economic sphere Japan was content to follow European example, avoiding revolution. Of course, the Japanese Government has paid great attention to economic matters. It is as untiring and as far-sighted as the Prussian Government itself in promoting economic prosperity. But it has been upon education, in the widest sense of the word, that Japan has relied in all her reforms.

The experiments made by Prussia and Japan, and the consequences that have flowed from them, are of especial instruction and value, not only because they are of quite recent date, and, therefore, are full of information for all modern peoples, but still more because the two populations differ in so many respects going down to the very foundations of society. To begin with Prussia, the people belong to what is called the Aryan, or white race. They are Christians of a strongly pronounced type. They were included in the Carlovingian Empire almost from the first, and they continued to be members of the Holy Roman Empire to the last. For a great many centuries, therefore, they have been sharers in Western history, politics, and civilisation. On the other hand, the Japanese are members of what is called the Turanian, or yellow race; in religion they are Buddhists and Shintoists; and from a very remote antiquity they have been isolated from the general

current of human events. Indeed, shortly after Europeans made their first appearance in the Far East, Japan rendered more complete its isolation, and for two centuries before Commodore Perry compelled her to open her ports to all the world, she refused to admit foreigners within her dominions. The instruction to be gained, therefore, from the experiments made by those great and highly gifted peoples is convincing, not alone as regards European and white men, but also as regards Asiatics and yellow men, and if the instruction is conclusive regarding two such important branches of the human race, it seems permissible to draw the inference that it is conclusive also respecting the whole human family without regard to race, colour, religion, or past history. For that reason it has been put forward in the very foreground of this inquiry, so as to reassure the reader that the conclusions drawn are not the outcome of mere baseless theory, but that they are grounded upon the actual modern experience of two of the very greatest nations of the world. If that be so, then it follows that from the experience afforded by Japan and Prussia the conclusion may be fearlessly drawn that if a people is to hold its own in the face of fierce competition, and still more, if it is to rise in comparison with others, it must depend, firstly and mainly, upon a thoroughly sound scientific education. Furthermore, the experience of both demonstrates that in these days of vigilant and fierce rivalry a nation needs the untiring help of its Government in economic matters. The Government is, in fact, only the agent of the whole population, and the proposition just laid down amounts to no more than this: that while individuals and associations and local bodies can do much, there are many things which can be accomplished only by the whole community acting through its organised agent. Moreover, the experience of Prussia establishes beyond doubt that a good land

system is indispensable, or at all events is of incalculable help where a people has to contend with capable and well-equipped competitors.

Turning, in the last place, to the history of Russia since the Crimean War, the reader will find that the emancipation of the serfs has been only a qualified success. It was prompted, just as the reforms of Prussia and Japan were prompted, by the discovery that the nation was, from a military point of view, weak. The disaster of Jena brought in its train the reforms of Stein and Hardenberg. Commodore Perry's opening of the Japanese ports led to the transformation of Japan. In the same way the disasters of the Crimea had as a consequence the emancipation of the serfs. But the Government of Russia of that day was not as far-seeing, as broad-minded, in a word as efficient, as either the Government of Prussia or that of Japan. To begin with, it did not establish an efficient system of education. Yet it has been seen from the experience both of Prussia and Japan that education stands first in raising the condition of a people. Even to this day education in all its branches in Russia is very much behindhand. It is only necessary to look at a Russian Budget to satisfy oneself that education is utterly starved, even after all the experience the Empire has had since the emancipation of the serfs. In the second place, the price at which the lands both of the Crown and of the nobles were sold to the serfs was altogether too high. Every reader who has given any consideration to Russian finance knows that the Treasury has had again and again to forgive the peasants arrears of payments due. In the third place, the quantity of land given to the emancipated serfs was altogether insufficient. No doubt there were many other causes for the very qualified success of the emancipation policy. It is, however, unnecessary to go through these, as most of them are

peculiar to Russia, and consequently are capable of yielding to the people of other countries little information from the point of view which is here being taken. It is enough to say that the Russian Government failed to establish a great system of education ; that it failed, likewise, to give a measure of self-government ; and that it charged too high a price for the land, and endowed the peasantry with too small a portion of the soil. From this very summary examination of the great recent reforms in the three countries just referred to confirmation of the conclusion already arrived at is amply afforded, namely, that the first of all measures of reform calculated to raise the condition of a people is a really sound scientific system of education, and that without such the chance of success is very small. Education, assuming it to be of the right kind, must be accompanied by gradual political emancipation, else the people remain in bureaucratic leading-strings. In addition, everything possible needs to be done to improve the economic condition of the people. These three great experiments have been selected, not alone for the reasons already stated, but also because they are so recent, and, therefore, are calculated to give convincing evidence in regard to the present time. The earliest of the experiments, that of Prussia, took place only a century ago, the second, that of Russia, dates from half a century since ; and the third, that of Japan, is of still later date. It was not, indeed, until the fifties of last century that Commodore Perry made his appearance in a Japanese port. And it was much later before the more political changes were effected which enabled the great reforms to be entered upon and consolidated. It would, of course, be easy to produce much other evidence in confirmation of the conclusions drawn from these experiments. It is unnecessary, however, to give more than one other example, selected, firstly, because it is drawn from British history ;

secondly, because its consequences are still troubling us ; and thirdly, because it is calculated to prove instructive in a double sense. In the reign of Henry the Eighth the English Government recommenced the conquest of Ireland. The policy was continued till the end of the Tudor time, and was completed under James the First by the settlement of Ulster. It was not a war in the ordinary sense of the word, for there was no native government in Ireland, nor even a coalition or combination of the clans. The native population was split up into small clans, each one of which was in more or less constant hostility with its neighbours. The conquest really was a seizure by force without title of the clan lands, carried to the extreme by almost total eviction. Practically the whole soil of the country was transferred from the natives to the invaders. The places of learning provided by pious founders for the natives were destroyed, and education by Catholics was forbidden under the severest penalties. The consequence was ruinous both to the new colony and to the old natives. So far as the new colony is concerned, it is only necessary to say that the Established Church in the middle of last century had to be disestablished and disendowed, and that at the present time Parliament is, by means of British credit, buying out the landlords all over the island. In other words, after the most savage, relentless, and unsparing attempts continued from the accession of James the First until the American War of Independence, the British nation has ever since been engaged in efforts to undo and make up for the policy pursued towards Ireland during the preceding four centuries, and more particularly the religious and the land policies. Indeed, it is hardly too much to say that since 1870, Parliament has been labouring to hand back Irish land from the descendants of the colony to the descendants of the evicted natives. With respect to the consequences to the natives, it is enough to say that

as the law prevented them from owning the fee-simple of land, excluded them from practically every office of power and profit—in short, to put the matter as it was once put in the Irish Upper House by Lord Chancellor Clare, as the law assumed that Irish Catholics did not exist; and as, further, they were deprived of all chance of education, they were steeped in ignorance and deprived of the ordinary incentives to industry. The result has been centuries of intestine strife, unceasing war of classes, fierce religious hatred, poverty, distress, famine, eviction, and emigration accompanied by a political feeling which makes it to-day impossible even for a Government favourable to Home Rule to extend the Territorial Army system to Ireland. Is it necessary to add anything more by piling up evidence to prove to the conviction of every man open to reason that the first and most efficient of all means of raising a people in efficiency and prosperity is education? The example of two great countries, Prussia and Japan, has been cited to prove conclusively that during the past hundred years education scientifically organised and admirably applied has worked wonders. Two other illustrations, one quite modern, the other ranging over several centuries, have been adduced from Russia and Ireland to show that the neglect to found a great and sound system of education has wrecked, in the first instance, the policy of a really humane and liberal-minded Sovereign; and, in the second, has made the memory of a ruthless land-grabbing so odious that to this day it poisons the relations between Great Britain and Ireland.

CHAPTER V

THE WORKING OF PROTECTION

IT has been shown, I hope to the satisfaction of the reader, that production is limited by consumption. Consequently, it follows that the Tariff Reformers, in agitating for Customs duties to keep out foreign competition, are completely misapprehending the problem before the country—are, in short, putting the cart before the horse. The Tariff Reformers base their agitation largely upon the assertion that the Germans, the Americans, and the peoples of other forward countries, shut out to a very large extent our commodities from their markets, thereby acquiring almost a monopoly of their home markets ; and, in addition, flood British markets with the goods they cannot sell at home ; that by so doing they have killed several once-thriving industries in this country, and that under the pressure of their fierce competition other industries are gradually dying. In other words, the Tariff Reformers allege that production in all the forward countries of the world is already excessive ; that the protected countries produce more than they consume, that they dump down their excess production upon this country ; and that by so doing they kill industries here. All of which amounts simply to this : that the consuming power of the world is much smaller than its producing power, and that the protected countries, being unwilling to reduce the employment of capital and labour at home, have adopted Protection to keep their home markets to themselves and to enable them to dump down upon this

country such of their own production as they cannot consume. The Tariff Reformers are, in short, so barren of ideas that the only policy they can think of is to follow the example of the foreigners of whom they complain. Yet it ought to be as plain as the sun at noonday that if they were to succeed in their agitation they would increase the production which they already assure us is so ruinously excessive, and by so doing would make both the Protective and the Free Trade countries poorer than before. Suppose the Tariff Reformers were to succeed, they would shut out from British markets foreign competition in certain articles in the hope of reviving industries which once existed here, but which, according to them, have been killed by foreign competition. In other words, according to the Tariff Reformers, the goods in question cannot be produced here at home as cheaply as they can be sold by foreigners. Consequently, if the foreign competition is shut out and home producers make the goods so excluded, it is manifest that they must charge for them considerably higher than was previously charged for the excluded foreign-made goods. The result of this would be, firstly, that the cost of living in the United Kingdom would be increased; and, secondly, that the production of the world would be made more excessive than it is at present. Industries which, according to the Tariff Reformers, have perished because of their costliness would be revived here at home, and the foreign-made goods which now are dumped down here, but which on the hypothesis could no longer be so dumped down, would, for a time at least, continue to be produced in the foreign countries which now produce them. There would thus be an increase of excessive production, and it is odd that Tariff Reformers have never stopped to consider seriously with themselves what would be the economic and political consequences of such a state of things. * It

may safely be predicted that if the cost of living were to be increased—and it has just been shown that it must be increased—the working classes here at home would very soon grow tired of a system which brought about higher prices and less employment. Abroad, the closing of the British market to whole classes of foreign-made goods would lead after a while to a commercial crisis ; credit would be weakened, workmen would be thrown out of employment, and a very serious state of things would be brought about. Already there are loud complaints in the United States and in Germany of the high cost of living. That high cost of living is, to some extent at all events, clearly traceable to the protective systems in force in the United States and in Germany. But its consequences are somewhat diminished by the ability of the American and German traders to sell their goods in British markets. If they could no longer sell the goods, and if, in consequence, large numbers of workpeople had to be thrown out of employment, the high cost of living would become intolerable. One of two things, then, must happen. Either Protection would be swept away both in the United States and in Germany, and with lower duties and greater freedom the competition of the United States and Germany would become even more formidable than it is at present ; or the Protectionist party, which in both countries is highly organised and disposes of vast wealth, would prove too strong for the unorganised and impoverished working classes, and would be able to maintain the existing high Customs duties in spite of the outcry of the poor and their sympathisers. In that case a grave state of things would arise, which probably would end in the great war which for more than a generation men have been dreading and preparing for.

In the United States, the opposition to the present Tariff is growing so strong that a considerable reduction

of duties in the early future is very generally expected. In Prussia there has been seen quite lately a remarkable manifestation of the strength and the high discipline of the Socialist Party. Is it reasonable to expect that if the British market is to be closed, and if artificial franchise arrangements prevent the German working classes from doing away with Protection, this highly organised and powerful party will submit quietly to semi-starvation? If it does not, what may be the political consequences to the neighbours of Germany? It may be replied, no doubt, that this country is not to be frightened out of a policy by an imaginary bogey; that Tariff Reform is to be considered solely in the light of British interests; and that if the interests of other people suffer it is for those other people to take the proper measures to safeguard themselves. This reply is a superficially clever appeal to Jingo feeling. It is not, however, an answer to the question put. In putting that question there was no intention to raise a bogey. Far less was there any hope to stop an agitation by an appeal to cowardly feelings. What really inspired the proposition was the desire to put clearly before the reader the possible political and economic consequences of Tariff Reform. Tariff Reform, when everything is said, is a question of political and economic expediency. And the expediency is to be measured, firstly, by the effects it would have upon this country; and, secondly, by the effects it would have upon the countries with which we are in close relations. And if it can be shown to be reasonably probable that the closing of the British markets would throw the trade of some of the forward countries out of gear, would, therefore, shake credit and thrust great numbers of work-people out of employment, surely such a probability, or possibility, ought to be taken into the most careful consideration before we make up our minds whether we

shall or shall not adopt the suggested reform. There is no appeal to cowardliness, nor any denial of the right and the power of this country to carry out whatever policy it convinces itself to be desirable. It is, on the contrary, an argument addressed to the common sense of business men. In short, the object was to show, firstly, that the production of the world at the present time is excessive; secondly, that Tariff Reform here would increase the excessive production; and, thirdly, that a general increase of the excessive production of the world would have grave consequences both to ourselves and to other countries, and, therefore, that it should not be brought about unless it can be proved, not by high-falutin, but by weighty argument, that the best interests of the country demand its adoption. Now it seems perfectly evident that it is not to the interest of this country to bring about a grave state of things which might eventuate in a world-wide war; that, furthermore, Tariff Reformers are entirely mistaken in their reading of the present economic condition of the world; and that, lastly, the remedy for the evils which they see, or fancy they see, is to be found not in adding to the present excess of production, but in increasing the purchasing power of the world, and thereby bringing about an equilibrium between production and consumption which will be to the benefit of the whole world, and, in especial, will be for the benefit of the British Empire. It has been shown already that both Prussia and Japan have succeeded in a marvellously short space of time in increasing beyond all expectation the purchasing power of the two countries, and that the deductions drawn from the experience of these two countries can be checked and verified by the failure of Russia to achieve a similar success. In addition, it has been shown that the principles upon which Prussia and Japan have acted, like all great principles, are exceedingly simple

in themselves, and admit of being applied in every country which has the requisite ability and the requisite public spirit. Unable to see this, Tariff Reformers trust largely to retaliation to enable them to carry out their plans. It may be worth while, therefore, to inquire very shortly how retaliation would work in our case. The United States Congress a couple of years ago passed a new Customs Duties Act, which included both a maximum and a minimum tariff, the maximum to be applied to those countries which discriminate against the United States, and the minimum to all other countries. Furthermore, the Act vested in the President the power to decide which countries do and which do not discriminate against the United States, and, consequently, to which countries the two tariffs are to apply. Having taken time for the necessary consideration, President Taft issued a proclamation in which he made known that the United Kingdom and some other countries are entitled to the benefits of the minimum tariff. It was noted that Germany was not included among those States, and it soon came to be understood that negotiations on the subject were going on between Washington and Berlin. For a while fears were entertained that a war of tariffs might ensue. But the German Government gave way, and a Bill was passed by the German Reichstag, unanimously and without debate, providing that henceforward American imports into Germany are to be entitled to the most-favoured-nation treatment. The Minister who introduced the Bill admitted that Germany had not obtained all that she had been struggling for, and that the giving of the most-favoured-nation treatment to the United States is a gain for the latter.

It will be seen from the foregoing that, in the case of Germany, full power as well as complete willingness to retaliate does not protect a great empire. If any European

community could succeed in a Customs struggle against the United States it would unquestionably be Germany. She has a high protective tariff with maximum and minimum rates. Her people are proud of their brilliant successes during the past half-century, both in war and in peace, and are not in the least disposed to yield to a competitor, however powerful and formidable he may be, anything touching either the honour or the interests of the Fatherland. The German Government, moreover, places its services under all circumstances at the disposal of trade. Furthermore, German trade is expanding in a remarkable manner, while German wealth and population are growing very rapidly. Consequently, the German market is well worth retaining. Lastly, there is a very large German element in the United States, which has to be reckoned with at election time by the two great Parties. At the moment when the question was raised the new Tariff which has so sent up the cost of living was arousing bitter discontent throughout the Union, and especially in the Middle West, where ex-President Roosevelt was so strong. Therefore, it was embittering the dissensions in the Republican Party, and thereby was threatening to destroy the supremacy of that Party, which had lasted so long. The German vote, for that as well as for other reasons, was of great value to both American Parties. Yet with all these advantages Germany found herself compelled to give way before the United States in this matter.

It may be replied that if the defeat of Germany proves that the power to retaliate does not afford protection, the victory of the United States shows that the latter by threatening to impose a maximum tariff compelled Germany to yield. Let us consider how this is. Germany has made extraordinary progress economically during the past forty years. She has become a great manufacturing, a great trading, and a great carrying Power. Her merchant

navy is large and is steadily growing. And her accumulation of capital is on a vast scale. But as Germany has become more and more a commercial country she has also become more and more dependent upon other countries for a portion of her food and for a very large part of the raw materials of her manufactures. Therefore, in spite of Germany's magnificent army and rapidly increasing navy, in spite of her augmenting wealth and of her expanding commerce, she is peculiarly liable to suffer in a war of tariffs. It is greatly to the credit of the good sense and the foresight of the German Government that it recognised this and gave way in time. On the other hand, the United States, though it also has made wonderful progress in the past forty years in manufactures and in trade, still continues to be mainly an agricultural country, and it is her agricultural produce which gives her the position in the world of business she occupies to-day. It may be said without much exaggeration that, if we except coffee, the finer wools, and sugar, the United States could almost dispense with imports from the rest of the world without seriously suffering. Therefore, she is far more independent of other countries than Germany is, for she needs little from other countries, while other countries cannot do without many of her products ; for example, wheat and cotton. The reader who will carefully think the matter out will see, then, that the value of a policy of retaliation depends entirely upon the country proposing it.

Still more instructive and convincing is the victory of Canada over Germany. Bearing in mind the vast resources of the United States, and especially the character of her exports, which makes them indispensable to great commercial countries, it is easy to understand that Germany could not hope to maintain a successful war of tariffs against the United States, and, therefore, that her Government very quickly recognised that it would be wiser to

come to terms at once than to force matters to extremes. But Canada has not yet attained the position which would make foreign Powers sensible that she would be a very formidable antagonist in a struggle regarding Customs duties. When Canada insisted upon the denunciation of the British commercial treaties with Germany and Belgium, and followed this up by granting preferential trade to the Mother Country, Germany demanded that she should be given the same treatment as was accorded to the United Kingdom. Canada refused, and, in consequence, Germany imposed upon Canadian imports super-duties. Canada retaliated by imposing extra-duties of $33\frac{1}{3}$ per cent. upon German goods. The struggle lasted for over six years and ended in a very dramatic victory for Canada. In February of last year it was announced in the Dominion House of Commons and in the German Reichstag that a provisional agreement had been arrived at in accordance with which the extra-duties imposed by the two countries were to cease from March 1, in order to allow time for a definitive treaty to be negotiated. To begin with, Germany withdrew her demand to be put upon the same footing in regard to Canadian trade as the United Kingdom. Furthermore, she placed upon the conventional tariff—that is, the minimum tariff—most Canadian articles. To please the Agrarian Party certain high duties were retained. But all the articles of real importance to Canada—all the articles, in fact, which Canada can hope to sell on any considerable scale to Germany—were placed on the conventional tariff. In return for this, Canada suspended the super-duties of $33\frac{1}{3}$ per cent. to which German exports had been subjected since 1903. It will be seen that the victory of Canada was complete. Furthermore, the commercial treaty concluded between Canada and France came into operation, and the German Government very naturally desired to be placed on the same footing as France,

seeing that it had failed utterly in its attempt to be placed on the same footing as the United Kingdom. But in his statement in the Dominion House of Commons Mr. Fielding explained that the time at which he was speaking appeared to be unfavourable for entering upon the negotiations of a comprehensive treaty. Thus, again, we have evidence that not only does Canada hold the stronger position but that she is perfectly conscious of the fact. She was willing to conclude a provisional agreement, but a comprehensive and permanent agreement she did not care to negotiate at the time. Here, again, we have the most dramatic evidence that the power to retaliate is of no value to a State, unless it has such advantages in the foreign trade as enable it to wear out an antagonist. Germany produces nothing which Canada cannot obtain from other countries, while Canada produces much that Germany is exceedingly desirous to get. Moreover, Canada is growing so rapidly in wealth and population that she will have to offer very soon a highly valuable market. Therefore, it is most natural that Germany should recognise the mistake she made and endeavour to obtain the best terms she can from the victor.

This country is even more dependent upon the rest of the world for food and raw materials than Germany. It was a great commercial country while Germany was still an almost exclusively agricultural country, and therefore it will take time before Germany becomes as much dependent as we are upon countries beyond sea. In our case we import from abroad about 95 per cent. of all the wheat we consume. We import an immense quantity of other grain, of meat, dead and alive, of tea, coffee, sugar, and so on. Furthermore, we are entirely dependent upon countries beyond sea for raw cotton. We are very largely dependent for raw wool and flax, for a considerable portion of our iron, our copper, tin, and so on. In short, if our

foreign supplies of food and raw materials could be cut off we should be starved out in a very few months. Therefore, a war of tariffs would be for us altogether too costly a game. We could not afford to play with the well-being of our traders and our workpeople. In the case of European competitors, if against our will we were forced into a war of tariffs, we might win, because we are not dependent for absolute necessities upon any European country to such an extent as would make a war of tariffs suicidal, with the possible exception of Russia and the Scandinavian kingdoms, and there it would be a question which side could hold out the longest. But in the case of such a competitor as, let us say, the United States, it is obvious that if we could hold out it would be owing to the unwillingness of the United States to proceed to extremities. The cotton trade is one of the very greatest of our industries, and the raw material for that we import from the United States and Egypt. Such of our readers as are old enough to remember the American Civil War will have a vivid recollection of the sufferings of all the operatives in Lancashire consequent upon the blockade of the Southern ports by the Northern navy. Anything, therefore, that would cut off our American supplies would be a calamity of the first magnitude. If we were to be engaged in a war of tariffs with the United States it is improbable that she would put such an export duty upon cotton as would disarrange our cotton trade. But if the reader will assume that she might do so he can easily imagine what the consequences would be. The United States has completely thrown over her old policy of political isolation. She has become a great world Power. She has acquired important colonies from Spain. She took part in resisting the Boxer movement in China. She was largely instrumental in bringing about the negotiations between Russia and Japan which resulted in the Peace of Portsmouth.

She has quite recently addressed a very remarkable proposal to both Russia and Japan, which, had it been successful, would have brushed aside the Treaty of Portsmouth. Suppose we were to adopt Tariff Reform, and, as a consequence, to give preferential trade to our Colonies ; and suppose the United States were to declare that that was differentiating against the United States, and for that reason was to subject all British trade to the maximum tariff, what could we do in the way of retaliation ? Suppose we did attempt to retaliate, and suppose, further, that the United States imposed a heavy export duty on cotton, how long could we keep up the struggle ? Is it not certain that we should have to yield at once ? And if it is certain, would it not be madness to enter upon a policy which we could not carry through and which would, therefore, end in our humiliation ? It is very improbable, of course, that the United States would impose a heavy export duty upon cotton. But when we are discussing a proposal which involves the change of a system which has been the settled policy of this country for two generations, we have to consider it not merely in the light of what to us at the present day and under existing circumstances seems likely, but also in the light of what is merely possible under altered future conditions.

Passing from the aspirations of the Tariff Reformers here at home to the consequences in the United States of long-continued Protection, the attention of the reader is invited to the recent boycott of meat in the Middle West. The United States is, with the exception of our own colonies, the most prosperous country in the world, taking all classes into account. Even in comparison with the Colonies it has in many respects advantages more favourable to human welfare than the most happily situate of them. For example, compared with Canada it has a far better climate as well as a much greater variety both of

climate and of soil, and therefore it has a capacity for producing almost innumerable things which Canada never can produce. Compared with Australia, again, it is free from the long and frequent droughts that are so calamitous to the great island continent. Lastly, compared with South Africa, it has a more fertile soil, as well as a greater variety of climate, soil, and productive powers; while, rich as South Africa is in minerals, the United States is even richer. The area of the United States, including Alaska, is 3,624,122 square miles, or about nine-tenths of the area of Europe. If we exclude Alaska the area is 3,026,789 square miles, or four-fifths of the area of Europe. The population of the United States according to the Census just taken appears to be not far short of 94 millions, or, roughly, between a fourth and a fifth of the population of Europe. Consequently the population is exceedingly scanty compared with the area. In other words, there is still, rapid as has been the growth of settlement, much unsettled or but partially settled land to be had on exceedingly easy terms. Over and above this, the United States produces almost everything that the heart of man desires. The only commodities of great importance that it needs to import are coffee, wine, sugar, and wool. The greater part of the wool it requires it grows at home. But the finer kinds it buys at the Colonial Wool Sales in London. Sugar also it produces, but it has to import the larger part of its consumption, and coffee it imports altogether. Its other imports are pure luxuries, such as wines, pictures, *articles de Paris*, and the like. Even wine it grows in considerable quantities in California, and doubtless Californian wine will rise both in quantity and in value as time goes on. Excepting the coloured people the population is descended from the very highest European races. The country has made, and is making, marvellous progress in every direction, and with the growth of wealth wages naturally are high.

One would expect, therefore, to find the condition of the working classes more satisfactory than in any other country, not even excepting our Colonies, because the United States is so much older than our Colonies that it has got a great start of them economically, especially in the accumulation of capital. Yet in the face of all these advantages a movement was got up in the spring of 1910 for the purpose of inducing people to pledge themselves not to eat meat for a certain time, in the hope that by so doing they might compel the trusts to put down prices ; in other words, the price of meat, and, indeed, of all foods, is so high that the poorer classes find themselves unable to buy it, and they have been banding together in the desperate hope that by means of a boycott they may compel the trusts to lower their charges. The boycotters attribute this very unsatisfactory state of things entirely to the greed of the trusts, and accuse them of deliberately charging exorbitant prices. The trusts, in their turn, assert that it is not they but the farmers who are holding back supplies. They assure us that they are making merely ordinary profits, and that at the present time they are actually selling at a loss in this country ; but that the agricultural classes, seeing that they have the market entirely to themselves, are holding back their cattle in the hope of getting still more usurious prices. Taking the statement of the trusts themselves, it is clear that there is a holding back of cattle somewhere. In other words, whether it is the trusts that are charging exorbitant terms, or the farmers who are holding back their cattle in expectation of being able to sell them at still greater profit to themselves, there is admitted to be a monopoly. And the monopoly is created by the protective system which exists in the United States. Here at home, whenever the price of any article runs up excessively, there are imports of that article on a vast scale. The competition of the

foreigner, to put it in another way, prevents the formation of a monopoly, or, if a monopoly unexpectedly grows up, soon breaks it down. In the United States, however, this is impossible because of the tariff. For example, the latest tariff, that passed two years ago, imposes duties upon horned cattle ranging from \$2 in the case of animals less than one year old to \$3.75 in the case of all other cattle valued at not more than \$14 per head. In the case of cattle of a greater value than \$14, there is an *ad valorem* duty imposed of $27\frac{1}{2}$ per cent. The duty imposed upon dead meat ranges from a minimum of $1\frac{1}{2}$ cents per pound to a maximum of 4 cents per pound. It is hardly necessary to point out how these excessively high duties have promoted trusts and created for them an almost unshakable monopoly. The trusts behind the barrier of duties and Custom-houses are able to defy Canadian, Argentine, and Australasian competition; and, if the trusts are to be believed, the duties enable the farmers to hold out for usurious prices which, in their turn, compel the trusts to charge at such a scale for the meat they sell that at last the poorer consumers find it impossible to go on buying and have taken refuge in a boycott. Mr. Balfour and others of the Tariff Reform leaders have denied that there is any intention to tax food, or at all events to tax food unduly. Granting that there is no intention on the part of the leaders, it may be asked what guarantee is there that the leaders will be able to deny the agricultural south, which is the backbone of the movement, that protection which is proposed to be given to the manufacturer? It must not be forgotten that Mr. Balfour held out for a long time before he adopted Tariff Reform. In the end, however, he was forced to give in. Judging by what is happening in America at the present time, if he obtains a majority he will be forced to give in likewise regarding the duties on

food, and the result of that is seen in this boycott movement.

Particular stress has been laid upon the boycott of meat in the Middle Western States of the great American Union because the United States ought to be a very paradise for the working man. But the reader is well aware that the same complaint is loudly heard in Europe likewise, especially in Germany, Austria-Hungary, and France, that Protection has given birth to trusts, and that trusts have acquired monopolies which they abuse to the extent of making food of all kinds exorbitantly dear. Of the older European countries there is no question that Germany has made the greatest progress during the past forty years. Yet in Germany the complaint is loud that working men can seldom afford to eat meat; that the cost of living is excessively high; and that Protective duties have been raised so inordinately by the Agrarians with the assistance of the Centre Party that a dangerously large proportion of the lower middle and the upper working classes is being driven into Socialism.

CHAPTER VI

EDUCATION

OBJECTION has elsewhere been made to the statement that Japan, in the reforms which have raised her so rapidly to a foremost rank in the comity of nations, relied mainly upon education. The objection is based upon too restricted a view of the nature of education. Hitherto, it is true, parents and teachers have regarded education as mainly directed to the development of the mental powers. But the development of the mental powers is, in reality, only one of the functions of education. The old view is one of the causes why civilisation has advanced so slowly and has extended to so small a proportion of the inhabitants of even the most progressive countries. If the reader will look back to the fall of the Roman Empire, he will see how rapidly the highly educated died out and the dark ages supervened, because there were so few who really understood what they had learned, and, therefore, were capable of thinking for themselves. Even to-day any one who will observe the condition of the world closely will see how exceedingly few the educated are, and, consequently, how likely it is that, if we could suppose a general submersion of the forward countries, there would probably be almost as rapid and universal a retrogression of civilisation as there was on the fall of the Roman Empire. If, then, we are to raise the condition of our people, we must take a broader view of education and put forth all our strength to realise the larger ideal. The first thing we must do is to set our-

selves to the training and improvement of character. Knowledge is a most excellent thing ; but, after all, the widest reading may leave a man of very little use in the world. Too engrossed attention to mere book learning, indeed, often ends in producing either a prig or a Dominie Sampson. There is as much need for strength of will and directness of purpose as there is for fulness of knowledge. Education, then, ought to teach people to fulfil, in the spirit as well as in the letter, all engagements into which they enter. The employer should not raise false hopes and the workman should perform his work in a workmanlike manner. Laziness, love of pleasure, drink, and other vices are the causes of a very great deal of the poverty, misery, ill-health, and crime in the world. Therefore, we cannot bring to bear upon these defects of character too much effort or too much well-directed thought. Further, physical culture is as indispensable as either mental or moral. A people cannot be efficient either in civil or military life if they are not physically vigorous. Physical culture, however, does not mean mere exercise or mere precautions against disease. There is included in it the training of all the members of the body. Man is differentiated from the brutes by speech and by the hand. Heretofore we have regarded the hand as something unworthy of the regard of the educationist, and have relegated its training to the workshop, which accounts largely for the slowness with which civilisation has advanced, and especially for the very few who have shared in its benefits. But if we put aside inflated pride, bred of a very little knowledge, we shall see that the hand has played a part in the advancement of mankind which it would be impossible to exaggerate. It has enabled man not only to shape weapons to defend himself against far more powerful animals, it has also made it possible for him to subdue and domesticate such animals as could really

assist him. Finally, it has been the means by which he has succeeded in fashioning the instruments by which he has retained his supremacy over the beasts, and has compelled nature to subserve his requirements. True, the mind has co-operated with the hand in all this ; but without the hand and the upright position man could never have attained his present stage of advancement, unsatisfactory and backward as it may be.

The training of the hand is admitted by everybody to be especially necessary for the working classes. Formerly, apprenticeship supplied training to some extent, or at all events was intended to do so. Now, however, there is no substitute for apprenticeship. In consequence, there are loud complaints that British workmen cannot work to scale, and that few of them can even draw a straight line. But though the necessity is most apparent in the case of the working classes it is quite as real in the case of all other classes. Everybody, without distinction of rank or wealth, needs physical training. To illustrate the point it is only necessary to refer to the painter, the engineer, the architect, and the surgeon. Because stress has just been laid upon the training of the hand it must not be supposed that there is any intention here to deny that the training of all the organs of the body without distinction is equally indispensable. The training of the eye manifestly is as important. Everybody who thinks of the matter will see at once that it must be so, for it co-operates with the hand in everything the latter does, guiding and directing it. Such physical culture as is now given often comes to nought because of the ignorance of those who supply it. For example, the physical trainer requires the assistance of the doctor. Much of what is complained of as stupidity, want of interest, and the like, in reality is due to physical defects not removable by mere training. It is not very long since it was discovered that many people are colour blind. And

there are many other affections of the eye, the hand, the ear, and so on, which may be curable if a qualified medical man is called in in time, but which, if neglected, become incurable. Not only is it of great importance that physical training should be carried on with the assistance of a competent medical man in the interests of the child which may be suffering from some affection of the eye or the hand; it is equally important in the interest of education, and ultimately of the whole community. Obviously, a person suffering from colour blindness would be exceedingly dangerous on the look-out at sea or in driving a steam engine. Consequently, children while being educated should be periodically medically inspected, and the nature of the teaching given should be regulated by the medical diagnosis. In addition to the training of all the bodily members, there ought to be physical training intended to strengthen the health and impart courage. A weakly boy is apt to be timid. There are, of course, many exceptions, as, for example, William the Third. But for all that, a child which feels itself to be incapable of physically contending with other children is likely to be shrinking and somewhat timid. To overcome such defects it ought to be encouraged in every way to engage not only in play, but in the training which is given to bring out manliness. Of course, it is hardly necessary to add that there are children so shrinking that they can hardly be induced to engage in any sports or games, and, therefore, that there ought to be tact and judgment. But for all that the school training should be directed, firstly, to ensure as far as possible a healthy body for a healthy mind; and, secondly, to develop all the physical faculties so as to turn out the children fitted in every way for the battle of life.

Technical teaching is too important to be included under the head of physical training in general. It is

hardly necessary to add that it is as much requisite as any other form of education. Indeed, in these days of concentrated attention to trade and industry, and of keen competition between the nations, a people without a sound scientific system of technical teaching cannot hold its own. All classes in all countries have recognised from a remote time that technical education is necessary for the professions. Here at home, for example, there is special training for the clergy of all denominations, for physicians and surgeons, for advocates and soldiers, for engineers and architects, and so on. Strange to say, however, the provision stops short when we come to those professions which have come into existence in quite recent times. One would naturally expect beforehand that the more modern an avocation is the more the world would recognise the need for due preparation in regard to it. As a matter of fact, instead of mankind recognising such need in recent times it seems to have been taken for granted that people would prepare themselves by the light of Nature. In the case of engineering, for example, there is not the well-thought-out scheme of preparation that was provided in the old times for the Churchman and the physician. Electrical engineering is a still more modern thing, and the preparation for it is even more markedly defective. Any one who will compare the educational provision made for the electrician in Germany with that which exists in this country will see how woefully behindhand is the latter, and will thereby come to understand one of the reasons why Germany is at the present time making so much more progress than England. But if preparation for the modern professions has been grossly neglected still more lamentable is the neglect in regard to the working classes. In the olden times labourers were slaves; subsequently, they were serfs; and when serfdom died out they were looked upon as mere

machines to obey the orders and minister to the requirements of those above them. However, even in the benighted days of the Middle Ages, as we are pleased to style them, some kind of provision for technical instruction was made in the form of apprenticeship. Apprenticeship was costly, and had other serious drawbacks. Therefore, it has fallen into disuse. Upon the Continent it is being replaced by technical education. In this country technical education is still very backward, though quite recently it has made gratifying progress. If it were made general and were properly organised and properly carried out it would immensely augment the purchasing power of the working classes. The youngster would begin his actual work in life with faculties developed and with a mind so open that he would be able to understand, or at all events could be very easily enabled to understand, the principles of the operations in which he would be engaged. He would become, therefore, not only a more intelligent worker, but also a more efficient one. And he would be able to take an interest in his work which now is too generally absent. Thus his earnings would certainly increase, and as his earnings increased his purchasing power would become greater and would stimulate the producing power of other classes. In this way the final result would be an increase in the prosperity of all classes, and therefore, an elevation in the scale of living of the whole community. It ought not to be necessary to add that physical training in the fullest sense of the term is only a small part of education. Education proper ought to be physical, mental, and moral. Each should be given its own place, and no one should be subordinated to the others. Such a three-fold system, if scientifically carried out, would qualify man, looked upon simply as an individual, to play his part in life.

Turning now to the kind of education adapted to fit a

man or woman to perform the duty attaching to his or to her capacity as a member of a community—the education, that is to say, which teaches a man that he is a member of a community to which he has duties, and points out to him what those duties are, and how incumbent upon him it is to perform them—education, in short, in the duties of citizenship. It is surprising how completely this side of education has been ignored in modern times. Perhaps the explanation is that, all European States having been founded by conquest, the conquerors were for generations too much engrossed in safeguarding the position they had won for themselves to give a thought to their subjects. Hence it was a long time before conquerors and conquered came to look upon one another as one people, having the same interests. At all events, it is only now that we are beginning to recognise how grave is the responsibility that rests upon us all as citizens of a great nation, and, consequently, that to act up to that responsibility it is requisite that we should have some preliminary training. In no other community, perhaps, is the need for such training so great as in our own. For it should never be lost sight of that the British Empire contains altogether considerably more than 400 millions of people, or, as far as the very insufficient data attainable enable us to judge, between one fifth and one-fourth of the whole human race. The populations of the Empire vary to an extraordinary extent in civilisation, in creed, in race, and even in colour. Furthermore, the ultimate power in regard to them all rests with the voters of these small islands; for even in the case of the self-governing portions of the Empire they have not yet attained the naval and military strength which would enable them to safeguard their own interests against all possible adversaries, and, consequently, they are, to some extent at all events, dependent upon the United Kingdom for their welfare. In spite of all this, we

do nothing to qualify ourselves to discharge the responsibilities we have voluntarily taken upon us. In the United Kingdom, in particular, the education we are here contemplating falls naturally under two heads, the first regards the duty of citizens of the United Kingdom to one another and to the whole kingdom, and the second regards their duty to the other portions of the Empire. Looking to the former of these first, it seems clear that in the present state of the more civilised portions of the world, the most important part is that which deals with the rights and the duties of property, for it is the danger of a quarrel between the rich and the poor which, as has already been pointed out, most seriously threatens modern civilisation. It is of the utmost importance that the real nature of property should be understood, not alone by those who are devoid of it, but also by the owners of property. Property is a public trust, and if it is to perform the service for which it has been instituted it should never forget the fact. Originally all property belonged to the clan or the nation. It was only very gradually that the individual acquired the right to hold property against the other members of the clan or the nation. Probably a considerable time passed before the owner of property was recognised to have the full right to exchange property. It is certain that many generations passed before the owner of property acquired the right to leave it by will. Even to-day in many countries—for example, in all the countries that have adopted the *Code Napoléon*, or modifications of it—the right of bequest is very strictly limited. And in our own country it was only by slow degrees that full property rights were recognised. Even at the present moment, the Law assumes that the ultimate ownership of the whole land of the United Kingdom is vested in the Sovereign. In the long run it came to be the accepted doctrine that private ownership of land, as well as of other things,

promoted the common welfare, and thus the rights of property as we know them now came to be established by Law. If civilisation is to be safeguarded and to progress it is clearly necessary that all this should be understood, and that the owners of property should be aware that they are given the property by the State and that the State has the right to modify the conditions on which it has granted the ownership. In extreme cases nobody seriously disputes that the State has such a right. For example, nobody disputes the right of the State to adopt whatever measures may be necessary for naval or military purposes, even to the extent of pulling down houses and otherwise violating the laws of property. In much less urgent matters, too, such as the construction of railways, the Law gives power to railway companies to take possession of property, whether the owners are willing or unwilling to sell. But while all this is recognised in extreme cases the loose way in which charges of confiscation and of Socialism are flung about shows how extreme are the notions of some property-owners regarding their rights. It is, therefore, greatly to be desired that the true rights of property should be clearly defined, and that all classes should be made to understand that property is not a thing inherent in the citizen, but that it is the creation of civil society which society has the right and the power to modify according to circumstances. On the other hand, it is equally requisite in the interest of civilisation and its orderly and peaceful progress that those who do not own property should clearly appreciate the services which private property has rendered to the world, should recognise the duty they owe to the State, to observe to the fullest degree the rights of property, and should be made to understand that the rights of property should not be invaded, but that where the interest of the State requires a modification of the rights of property compensation should be given. It is scarcely

possible that socialistic and anarchistic teaching could make the progress which they have made in certain Continental countries if proper measures had been adopted to make clear the philosophy of property and the limits of both the rights and the duties of property. Here at home happily neither socialism nor anarchism has so far made much progress. But it is perfectly evident, all the same, that the extreme claims put forward in the name of property do meet with a fierce opposition, and that, therefore, it is essential in the public interest that civic duty, including more particularly the rights and limitations of property, should be taught as a branch of the national education. Not less urgent is it that the second branch of civic education, that which deals with the duty of the people of the United Kingdom to the peoples of the other portions of the Empire, should be carefully inculcated. No one who has any sense of the magnitude of the duties that weigh upon us can fail to have been painfully affected by the levity of spirit with which Imperial questions of the gravest moment have been bandied about during the recent two general elections, not by obscure candidates alone, but by public men who had held high office and ought, therefore, to have known the dangers of the situation. Whether party Government be inevitable or not, nobody in his calm moments can doubt that to prefer party to country is to commit one of the worst breaches of trust possible to conceive. It is, then, a matter of urgent need that the training of our people, from the highest to the lowest, in the discharge of their national and imperial duties should be taken in hand, and that every precaution should be adopted to prevent the teaching from being spoiled by the encroachment of party spirit. The teaching of civic duties is extremely difficult, for self-interest, class interest, national prejudice, colour prejudice, and religious prejudice, all are apt to fight against

it. Therefore, it is extremely difficult to find teachers impartial enough, or at all events conscientious enough, to keep their own prejudices and preferences under control and to impart to the young only the broad accepted principles of the subject. One of the great difficulties in all education is the absence of fully trained and thoroughly qualified teachers. Yet it ought to be clear to everybody who thinks at all on the subject that the training of the teacher is at least as important as the training of the pupil. We all recognise the necessity for training physicians, surgeons, clergymen, lawyers, engineers, and so on. Yet we entrust the future of our children to teachers absolutely without training and often manifestly unfit for the management of the very young. If the Empire is to be safeguarded, and if its whole population is to be raised in the standard of living, in some way or other we must succeed in overcoming all obstacles and in recognising that the welfare of the whole is more important than the welfare of any of its parts. A beginning must be made with the teachers. They must be brought to feel the weight of the responsibility that presses upon the whole community and every single member of it. And they must learn to control their own feelings, and to consider alone their duty to the public, on the one hand, and the calamities, on the other hand, that may spring from a neglect of those duties. It will take time to bring all this about, for there is as yet nobody to teach the teachers. But it will be accomplished in time, especially by the true cultivation of the moral sense and the discouragement of that undue party spirit which leads men to prefer party to country. In the case of ordinary people much is due to mere ignorance, to the necessity each one is under of earning a livelihood, and to the feeling

that he individually can make little difference however he acts. Such a person, however, can be influenced by men of higher standing and higher character; and the real difficulty is to bring about this higher character in the men whose example sways the multitude.

CHAPTER VII

EDUCATION—(*continued*)

WHATEVER may be the explanation, the fact is certain that we in this country have been exceedingly slow in recognising the importance of even old-fashioned education, or book learning. Until last century there were only two universities in England and only one in Ireland. The Scotch understood the matter better, and therefore had provided themselves with a larger number of universities. Comparatively early in last century the London University was founded. A considerable time passed before the example was followed elsewhere. Of recent years the public has awakened to a truer knowledge, and we are now better equipped so far as the mere number of the higher educational institutions goes, though it is to be feared that even in the new universities the scheme of education leaves much to desire. Secondary education is in a bad plight. The great schools need to be changed altogether, and the smaller schools are no better. As for elementary education, it was only in the last century that for the first time the Government was induced to give to clerical schools Government grants. Before then the Government recognised no claim upon it for even helping in the education of the people. It was not until 1870, when the efficiency of education in Prussia had, to the astonishment of all onlookers, been demonstrated, first on the fields of Bohemia, and afterwards on those of France, that Parliament was moved to adopt a policy of national elementary education. We have proceeded a long way in the forty years that have since

elapsed. But even yet our educational system is hopelessly behind the systems of the United States, of our Colonies, and of Germany. For one thing, there is little or no co-ordination. One would think it was self-evident that if a nation undertakes to spend a large sum of money every year at the expense of the whole community for the purpose of affording education to every boy and girl in the community, care should be taken to secure for the community the best possible results, by ensuring that every boy and girl of exceptional talent should be afforded an opportunity to develop that talent in the highest degree. In other words, one would naturally expect that a systematic scheme would have been worked out to enable every child of exceptional ability to proceed from the lowest rung of the ladder up to the very highest. In some places very much in this direction has been done, to the great credit of some of our great towns. But, taking the country at large, it unfortunately has to be said that the provision made for every child of real talent advancing to the universities is lamentably scanty. Again, there is a hopelessly wide gap between the higher education and secondary education, and between secondary education and elementary education. In a sense the universities dominate the schools inasmuch as the former dictate the course of study in the latter. But it is only in a sense, for while the great public schools set themselves to serve as preparatory institutions for the universities there is a multitude of lesser public schools which are not to any considerable extent feeders of the universities. Not only is this so, but there is absence of a proper organisation for the feeding of the universities by the schools. And there is no well-thought-out scheme for bringing either the universities or the schools that prepare for them into harmony with the conditions of the present time. Every now and then the state of things becomes too bad to be

tolerated any longer and there is a cry for reform which usually leads up to a Commission of Inquiry and a half-hearted reform. But there is no serious, intelligent, well-thought-out plan by competent agency to reorganise on a permanent footing in accordance with modern requirements either the universities or the schools. The elementary schools are in at least as bad a case as the secondary schools, though they are immediately under the control of the Education Department, and therefore can much more easily be re-shaped. But they are out of co-ordination. They do not, in short, form a link in a chain intended to afford opportunities to all clever children to take advantage of the best teaching of the time. But the worst defect of all grades of our teaching institutions is that they are too literary. The two older universities were founded, for the most part, by Churchmen, mainly for the purpose of training Churchmen. Originally they were intended for the poor. Originally, also, the teaching staffs consisted of priests, regular or secular. To this day the monastic atmosphere remains. The Reformation failed to change the spirit of the universities or the aims of their teaching. The monastic spirit survives, and with it that inveterate conservatism which resists all change as something little short of wickedness. Changes have been forced upon the universities from outside. But they have fallen woefully short of what was requisite, and have succeeded but little in altering the temper of the universities. Those who have been trained in the universities, and look back with affection upon their university days, for the most part are persuaded that what was so pleasant and, upon the whole, so fairly successful with themselves must be so good as to require no change. Therefore they argue that no study is so well calculated to educate as the study of the classics. The founders of the older universities and the great public schools were men of great eminence who thoroughly under-

stood what education ought to be. In fact, they laid down a course of study which for its day was most excellent. Intending their institutions mainly to train priests, they provided for them a wide course of study including almost everything that was then known. Naturally they gave a high place to Latin, for Latin, the language of the great Roman Empire, still continued to be the language in which the learned gave expression to their thoughts. Moreover, it was the language of the Church in which all its ceremonies were performed. Therefore, it was imperative upon them to give to the study of Latin a very high place. But they provided also for such other learning as had survived the Dark Ages. The unsatisfactory nature of the teaching of these universities in modern times is not due in the least to their founders, but is a consequence of the revolution the successive steps in which are marked by the Wars of the Roses, the Reformation, and the destruction of the monasteries. The Wars of the Roses almost exterminated the older nobility, and laid an exceedingly heavy hand upon their leading supporters. The prohibition by Henry the Seventh to maintain armed retainers together with the prosperity of the woollen manufacture in the Low Countries made it the interest of the newer nobility to clear their lands and to grow wool. The Reformation and the destruction of the monasteries, by transferring the lands of the Church to the favourites of the Crown, made the clearances almost universal and thus intensified the effect of the two former causes, depressed the Church, put an end to the practice of training for it large numbers of poor men, and by raising socially and politically the large landowners and lowering the small made the great public schools and the universities, which had so largely been intended for the poor, appanages of the rich. The universities lost their activity, and in regard to them the colleges took a very much higher place

than they had formerly occupied. Nothing, perhaps, better illustrates the decay of learning than the efforts made by the colleges to attract the sons of the rich by raising inordinately their charges and by lowering their examinations. By this means education was gravely injured, not in the universities and great schools alone, but throughout the whole country. The very function of education was in large measure forgotten. It came to be looked upon more as an accomplishment for fine gentlemen than as a training for life. And ingenious arguments were invented for defending a system which flattered the vanity and pandered to the laziness of those who desired to be supposed to have knowledge without the trouble of acquiring it, and which did all this largely by diverting from the poor the revenues intended to fit them for the battle of life. One of these arguments is that the study of the classics gives a knowledge of human nature.

If people would only think for themselves, instead of slavishly accepting whatever is laid down by authority, they would see the utter absurdity of such an argument. The classics, it is urged, deal with human life and human character, and the knowledge of man is the aim of true education. To this it may be replied that, unscrupulous as is Party spirit in our own day, it was infinitely worse in classical times. Classical writers, like modern writers, had all the passions, the weaknesses, and the prejudices of ordinary people. Even, therefore, where they had peculiar insight into human character they were led astray by Party spirit. It is matter of common knowledge that what passes for history, and even for literature, was largely inspired by partisanship, was an attempt either to blacken opponents or to whitewash friends. Real knowledge of human nature is not to be derived from books, whether classical or modern, though it may be assisted if the books are intelligently used by one who has learnt

to read through the self-deception and the pretensions which so often mislead. What does give a knowledge of human nature is an intuitive insight into character, quickened and corrected by an intelligent and accurate observation over a wide range of human activity, and tested by as honest a searching into the motives of one's own actions as is possible for such a being as man. It would be waste of time to carry the argument farther. It is enough to say that, even if it could be admitted that classical literature does teach a knowledge of human nature, at the great schools and the older universities classical education is certainly not conducted with a view to that end. At the same time, it is hardly necessary to say that there is no intention here to deny the value of classical learning. The uselessness of the teaching given at the older universities is defended in many other ways, but nowhere so honestly as by those who frankly admit that the older universities and the constituent colleges are not intended for all classes, that their true place in English life is to continue the work begun at the great public schools and turn out gentlemen in the technical sense of the word, men, that is to say, who are not intended for work, who may condescend to accept high political office, to sit in Parliament, and to leaven the local authorities, more particularly the rural authorities, but who are not expected to condescend to work. Therefore, it is not the business of the universities to train the physical organs, to teach science, to fit men for the work of life, but to turn out gentlemen who, like their predecessors, are, in virtue of their birth and their wealth, to govern the country and the Empire and to command its armies. It is at all events a candid defence. But it belongs to a past time. The gentleman in the sense in which the word is used in the defence just referred to, with his cramping conventions, his ridiculous exclusive-

ness, and his absurd affectation of superiority, is one of the most uninteresting specimens of humanity and is rapidly becoming an anachronism. No doubt the rich still monopolise an undue share of power. But if they are to retain it and to hold the place in the national life which their fathers held they must qualify themselves by real education.

The older universities and the great public schools, as has already been shown, were not intended to turn out fine gentlemen. They were founded to give education in the true sense of the word. And if they are to hold their place in the national life they must be brought back to fulfil the task for which they were instituted, namely, that of fitting their students for the real work of life. Their system must cease not only to be merely literary, but it must cease even to be merely intellectual, and must recognise that one of the most important aims of true education is to develop in the highest degree intelligent observation. Observation conveys to us almost all our knowledge. It enables us to note differences and likenesses, to distinguish and compare. *in other words, it* furnishes us with the basis of all *reasoning*. It supplies the imagination with the materials upon which it works. And it stores up the facts which are built up all invention, which in turn is the source of all progress. In the falling of the apple, which set Sir Isaac Newton upon the train of thought which led him to the great generalisation which is known as the law of gravitation, or when the lifting of the kettle-lid by steam started Watt on the researches which resulted in the steam engine, we have the highest illustrations of the part which observation plays in enlarging human knowledge and in increasing human comfort and human happiness. It is not, however, in the highest realms of scientific thought only that accurate observation plays a most important part. It is of equal use in every department of human activity. The general

in the field, if he has not trustworthy information, founded on accurate observation, is utterly lost. In fact, the whole military art is built upon accurate observation. Notoriously, navigation is likewise built upon observation. So is farming, and, indeed, almost every human occupation. An ideal system of education would devote itself, above all things and before all things, to the cultivation of accurate and intelligent observation. The question may be put without irrelevance to those who insist upon the superiority of classical study whether they are prepared to assert that the study of dead languages can foster accurate, intelligent observation as it is fostered and trained and developed by the sciences, and more particularly by the natural sciences. In saying this it is not meant in the least to deny the value of the classical languages, or to allege that the study of the classical languages is not important. Without doubt the study of the classical languages should be encouraged, and provision should be made for it, but only in the case of those who are qualified to benefit by it. The number of young people who have real capacity for acquiring languages, more especially dead languages, or for appreciating the beauties of a great literature is exceedingly small. Few as they are, they ought not to be neglected. On the contrary, full opportunity should be given them to benefit both themselves and the world at large by cultivating to the highest degree their peculiar faculty. But education ought to be intended, not for the very few, but for the many. And the many, unfortunately, have no marked talent. Most boys and girls are ordinary. They are able to do the ordinary work of the world if they are prepared for it; but the extraordinary is entirely beyond them. Consequently, the main object of a great system of national education should be to prepare the ordinary mass of mankind for the ordinary work of a very ordinary world.

Below the great majority there is a minority of still inferior capacity. It would be just as reasonable to say that those with defective capacity should not be provided for at all in a national system of education as that the national system of education should be mapped out to suit the exceptionally gifted. An ideal educational system would provide for the defective minds as well as for the original minds and for the commonplace minds. Furthermore, it may be pointed out that if the people are to be prepared for the work they will have to do in the world they ought to be provided with good technical schools, not alone for the paid workers, but also for the employers. Workmanlike work is indispensable. But even more indispensable is instructed enterprise. The capitalist plays a great part in the world, but he might play an infinitely greater part if he was trained in the potentialities of the business to which he intends to devote himself. He has the welfare of those he employs largely in his hands. If he is properly educated for the position he occupies he will be able to give, as his business grows, more and more employment. He will be able to strike out new lines. He will have the trained intelligence to appreciate the importance of new inventions. And thus, while adding to his own wealth, he will be able also to increase the comfort of those he employs and to bestow untold benefits upon the whole world. What are called booms which lead directly to great inflation of prices and end in a crash are largely due to the ignorance of those engaged in business. They do not as a rule wilfully engage in what they know to be baseless operations. They know, of course, that prices are being rushed up rashly, but they only know it in a general way, and from the result of past experience. If they were properly trained they would know whether there was a *bona fide* demand in any particular trade, and they would also know that an attempt to rush up prices where no large *bona fide* demand

had suddenly sprung up would be folly. To qualify employers, therefore, for their business in life they ought to be trained for the positions they will have to occupy, and in that view they ought to be trained to make themselves acquainted with the condition of business in all the departments in which they will be engaged. Moreover, special care ought to be taken to induce employ  s to see that common honesty requires that they should fulfil in a workmanlike spirit all engagements into which they enter. If the employer is bound in honour and honesty, as he manifestly is, to fulfil his engagements and to treat those employed by him with consideration, obviously those so employed are equally bound to act towards him in the spirit of the contract. Trades unionists often disregard the obligation out of consideration for the older and less competent members of the unions. For example, they limit the amount of work which a man may do in a given time. The good-fellowship which prompts this is intelligible enough. Nevertheless, the action is injurious to the community at large, to the employer, and even to the workmen themselves. It is manifest that to restrain production in any way is to injure the consumer by raising against him the cost of what he consumes, and as the working classes form the great majority of the consumers working men who limit the amount of work which each one of them may do in a given time are in effect injuring themselves. It ought not to be difficult to make them see this if the system of education is good and if the matter is put before them without exaggeration, without partisanship, and in a truly scientific spirit. This particular rule has been selected simply because it is so manifestly wrong. There is much else that requires correction, and what is true of the workpeople is equally true of foremen, managers, and employers. Each owes a duty to the others and to the community at large.

CHAPTER VIII

EDUCATION—(*continued*)

As has been shown before, all experience, modern and ancient, goes to prove that a system of education, scientific in principle, comprehensive in its course of study, and sound in method, is of the very highest importance to a people, yet the searcher after truth must not hide from himself that education is not capable of curing all the ills to which nations are liable. Education has its limitations. Unhappily, a very large proportion of the population of the world is afflicted by mental and physical ailments which are too often handed down from the parents to their children. The mentally afflicted, the subjects of hereditary disease, the vicious of all kinds marry and bring children into the world, and in the present state of public opinion there are no means of preventing them. It is not intended here to discuss whether it is desirable that they should be prevented, or whether, even if it were proved to be desirable, it would be possible to prevent them, for it would lead too far away from the immediate subject of this inquiry. But it may be permissible to point out the fact so as to make clear that there is no wish to ignore the limitations of education. It is probable, indeed, that a really good system of education would effect some good even in regard to these classes. But it could not influence them very powerfully. In addition to the classes just referred to, there are others whose defects, however education may be improved, education cannot

entirely make good. People, for example, are singularly incapable of judging their own character. The most striking illustration of that is the fact that in every war there are tragic instances of men who utterly break down the instant they come under fire. Clearly these men cannot have understood themselves. Men of this kind, civilians as well as soldiers, manifestly are liable to make grievous mistakes in their lives, to enter upon work for which they are totally unfitted, and to engage in enterprises in which they are doomed to failure. A really sound system of education would, no doubt, greatly modify for the better the character of such persons, but that it would so profoundly alter their nature as to save most of them from such disastrous mistakes it would be rash to hope. Again, as we all know, beggars cannot be choosers, and, therefore, people having but scanty means grasp at almost any employment that offers, however unfitted they may be for it. Furthermore, parents often make serious mistakes in choosing avocations for their children. Fathers insist upon sons coming into their businesses, although the business may be utterly repugnant to the youngster. Of course, from the father's point of view it would be beneficial to the boy to enter into a successful business and continue it after the father's death. It would ensure the son an independent position. But the young fellow may be utterly unfit for the place, and, even if he submits to his father's wish, he is very likely to prove a failure. It is to be hoped that a really good system of education would reduce the number of such mistakes. At the same time, it must be admitted that the temptation to the father is very strong. He has the presentation of a benefice in his possession; or he has influence which will ensure the appointment of his son to a position carrying with it a handsome income; or, as has just been said above, he is carrying on a business into which he desires to bring

his son, to train him under his own eye, and by and by make him a partner. In all these cases it is a matter of course that the father should put strong pressure upon his son. Yet there are cases in which the son is so strongly opposed to the course marked out for him that he rebels. In some instances, no doubt, the son is unreasonable, and in after-days has cause to regret the course he adopted. But there are other instances in which both father and son are more or less to blame. It is to be feared that, however education may be improved, instances of the kind will recur. Lastly, there are men who are eminently fitted to shine in a profession who yet cannot get on in the lower grades. The most striking illustrations of such men are the great Napoleon and the American General, afterwards President Grant.

It may be objected that all this is obvious. But the objector may be reminded that the obvious too often escapes notice and, therefore, needs to be brought into relief. In short, the limitations of education are dwelt upon because it is permissible to think that, while education cannot directly effect much good in the cases just referred to, indirectly it can do a great deal. A really satisfactory system would not be limited, as has been observed before, to the development of the mental faculties, nor even to the development of the mental faculties and the cultivation of the physical faculties as well. It would also aim at improving the character. Mere knowledge will not carry a man very far. Even knowledge and expertness joined together will carry him only a moderate distance. To perfect the man he ought to be not only well-informed and expert, but he ought to possess a strong will and a clear moral sense. Of course, the extent to which the intellect, the physical qualities, the moral sense, and the will can be educated varies in different individuals. But in all some development is possible ;

and the higher the development the more likely is the young man or young woman to recognise his or her duty, the benefits that would accrue to him or to her from a certain course, and the real desirability or undesirability of alternative courses. Besides, the more highly educated in every way, the greater will be the probability that a mistake made at the start will be remedied before serious damage has been done. At present, extraordinary men often start on a wrong course, but they recognise while it is time the careers for which they are fitted, and by strength of will and superiority of capacity they strike out a course for themselves and succeed. Sir Walter Scott and Lord Beaconsfield are good illustrations. But the number of people who, as things stand at present, are able to do as Scott and Disraeli did is, unhappily, very few. If, however, we had a really sound scientific system of education the number would be greatly enlarged and an initial mistake would not be so disastrous. In addition to this, it is reasonable to expect that a good system of education would prevent young men themselves, as well as their parents, from making bad mistakes. Every employer of labour must have had experience again and again of employés who were well-intentioned, industrious, and generally of good character, and yet who were a failure in the office, or the shop, or the factory, and, in spite of that, when transferred to some other occupation have done exceedingly well. Now, if we had the proper kind of teachers, they would, as a matter of course, study the characters of the children they were instructing, and, if they were really suited to their position, they would be able to give invaluable advice both to the children and to their parents in the choice of an occupation. The admissions just made seem to go a long way towards disproving the claim made for education as the great means of raising a people in the standard of living. Yet a little consideration

will show that they really do not. Everybody knows that public opinion exercises a boundless sway over the conduct of human beings. Everybody is aware, for example, that not a few men who live comparatively decent lives in the society in which they were born act altogether differently when they are translated to distant climes and comparatively uncivilised races. Or to put it differently, everybody knows that it is public opinion which governs the world more than either laws or religious precepts. Now it is to be presumed that a really good system of education would profoundly modify public opinion, and through that would gradually bring about a state of things in which the disastrous mistakes just referred to would seldom be possible. The first generation submitted to the new system of teaching would, of course, have to suffer from all the mistaken notions imbibed under the old education. But as the newly taught came to take part in the world's work their views upon life would alter opinion very profoundly. Over and above this, as people became better educated they would more clearly see the advantage of this or that course of conduct, and the disadvantage of the opposite courses. Just as public opinion has put an end to duelling, and is making drunkenness disgraceful, many of the mistakes to which reference has been made would come to be looked upon as something worse than mistakes, and therefore would be avoided. The illustrations given above to show the limitations of education are drawn from generations which had no proper system of education at all. Under the new system it is to be hoped that they would become more and more rare. But to ensure this it is clearly requisite that education should be conducted by teachers eminently fitted for the work they have undertaken. It is not a very long time since it used to be assumed that anybody could teach—since, indeed, those who broke down in all other kinds of

business set up a school assuming that at any rate they could teach. And strange to say, their neighbours assumed the same and sent their children to them. That notion, at all events, has been killed; though, unfortunately, people do not even yet recognise how extremely rare are good teachers; how difficult, in a word, teaching is. Up to the present the remuneration for teaching is not very attractive. There are, of course, a few well paid places. But, speaking generally, teachers are underpaid if we assume that they are fit for their work. Unfortunately, there is so much to be done, and so much money has to be paid to get it done, that it is difficult to remunerate teachers properly. Therefore, it does not seem probable that the salaries of teachers will in the very early future be much improved. Again, the old notion that anybody was fit to teach, though it is dying out, is not quite dead, and even yet people do not recognise that the teacher himself requires to be trained. Nobody doubts that a clergyman, a lawyer, a doctor, and so on requires to be trained—indeed, Parliament goes so far in some cases as to make it punishable for a person to practise who has not obtained the legal qualification. Yet, at the same time, no proper provision is made for an adequate training of teachers. There are training schools, of course, for the teachers of the elementary schools. But the training schools are largely sectarian. Therefore, they are not properly equipped nor properly endowed. For the higher education there is no training at all. Yet it is to be feared that until there is adequate training the evils referred to above will continue. A really competent teacher, the kind of teacher who impresses himself upon his pupils, would be able to prevent many of the disastrous mistakes made. Such a teacher would make a study of the characters of those he was instructing, and would endeavour to guide them in the choice of a profession. He would likewise, if the parents were wise,

make friends with the parents, and his advice would be of inestimable value. It is assumed, of course, that the teacher is really competent. As things are at present, really competent teachers are exceedingly few. But under a thoroughly sound system of education care would be taken to train teachers, and in the training to eliminate the unfit so that ultimately most of the teachers would be competent. The personal influence and advice of such teachers would be invaluable to the pupils and of immense help to the parents. Education is necessary for us all ; but it is doubly necessary for the educationist. Pedagogy is beginning to be recognised as both an art and a science ; but the recognition amounts to little as yet. Obviously, a real teacher must be well informed, must have a good knowledge of character, must have control over his own temper and his own manner, and, above everything, must have sympathy. If a teacher has not sympathy, clearly he is not fit to be a teacher, and the sooner he takes up some other occupation the better it will be for himself and for the children he had proposed to teach. For without sympathy no man and no woman can enter into the difficulties of the learner ; and if the teacher cannot enter into the difficulties of the learner, put himself or herself in the position of the child, and form an idea of the obstacle which seems so insurmountable to the child, he or she will never succeed in teaching. Knowledge may be acquired comparatively late in life, while the teacher is plodding away, teaching others ; but from the very first character is indispensable, and the sympathy, upon which so much stress has been laid, must be tempered by the due amount of firmness. The teacher must be able to assert and to maintain his authority, as well as to understand and clear away the difficulties of his pupils. Even if the teacher has acquired the requisite character, knowledge, and demeanour, he will do little good if he

has not also a correct method. The method of teaching is almost as important as the subjects taught. Indeed, one is tempted to say that it is even more important. For a subject may be learnt and may be forgotten; but a right method of teaching gives the key which will unlock future knowledge. In this country method in teaching has received altogether too little attention. On the Continent and in the United States its importance is better understood, and at last a school amongst ourselves is working for the reform of our method of teaching. Heretofore it has been assumed, even in the case of the higher education, that if a man possesses wide learning he, as a matter of course, must be a competent teacher. In real truth there is very little connection between knowledge and successful teaching. Some amount of knowledge, of course, is indispensable. A man cannot teach what he is entirely ignorant of. But it is curious how little knowledge will carry a man along if he has the right manner, the right method, and sympathy. It is true, beyond all possible doubt, that the wider a man's knowledge, and the greater its scope, the more efficient he will be as a teacher, assuming that he has the other requisite qualities. But in actual experience it is clearly proved that a great amount of knowledge does not make a man a good teacher. The other qualities, to which reference has been made above, without deep knowledge, will carry him a long way; but he will never be a really efficient teacher unless he has a good method. Therefore, for a really sound scientific system of education we require: firstly, a staff of male and female teachers highly instructed and sympathetic, possessed of the character required for their work in life, and really interested in that work. In addition to all this we require them to have a correct method. It is characteristic of the way in which we go about things in this country that while we have recognised that some training is required

for teachers in the elementary schools, practically no training is provided for the secondary schools, while training, in the proper sense of the word, is entirely dispensed with in the higher schools and the universities. To those who have given no serious thought to the subject the statement just made may appear due either to ignorance or misrepresentation ; but it is literally true. A man is appointed a teacher in the great schools, colleges, and universities on the strength of his great attainments either in literature or in science, but he is not required to give any real proof that he possesses the requisite qualities for teaching the young. Nor is any provision made for giving him the training which a teacher ought to have. We need, then, a complete overhauling of our whole educational system. It ought to be entirely rebuilt upon a more lasting and a truer basis. Not only should the right kind of instruction be provided for the young of exceptional abilities, and also for those of exceptional deficiencies, but, furthermore, there ought to be a special and appropriate system of instruction for the ordinary people, the great mass between the two classes just mentioned. Above and beyond all this there ought to be a sufficient and competent staff of teachers, highly trained, adequately paid, and selected with great care as regards both their character and their fitness for the work on which they are to be employed.

CHAPTER IX

EDUCATION AND OPPORTUNITY

It is sometimes said that a thoroughly sound system of education would give an equality of opportunity to all classes. That, however, is an over-statement. However greatly education may be improved as time goes on, and however vastly, in consequence, its influence upon those who partake of it may be augmented, it will never be able to make all men equal. It will never, that is to say, be able to turn a dullard into a genius, nor to put an end to all the defects of human nature which make some mentally, physically, and morally inferior to others. Moreover, it is manifest that the son of a great peer must start with far better opportunities than the son of one who has neither high rank, nor large wealth, nor a wide circle of influential friends to back him up. Similarly, the sons of the wealthy have an infinite number of opportunities which never present themselves to the sons of the poor. In the present organisation of society, then, it is to be feared that there are no means of equalising opportunities. But while that is true, a thoroughly sound system of education would do an immense deal for the less fortunate members of the community. It would qualify all who availed themselves of its benefits to take advantage of such opportunities as might offer to them. It would be difficult to exaggerate the value of this, for without opportunity no man can rise. Even the Great Napoleon, unquestionable as was his genius, never could have attained

to the position he gained were it not for the opportunity afforded by the French Revolution. Oliver Cromwell, again, could not have become Lord Protector were it not for the English Revolution. It may be objected, of course, that both Napoleon and Cromwell were animated by selfish and vulgar ambitions, and that it is extremely doubtful whether, with all their great qualities, they really advanced the interests of their respective countries. Immediately after the death of Cromwell the whole system he had established crumbled away. The Monarchy was restored ; so was the Church ; and the Nonconformists found that they were little better off than they had been under Charles I. In the case of Napoleon, again, it may be said with great truth that the incessant wars he waged exhausted the manhood of France, and led to her ultimate loss of the leadership of the Continent. All that, however, does not touch the point here made, which is that neither Napoleon nor Cromwell could have become what as a matter of fact they did raise themselves to were it not for the opportunities afforded them by revolutions. Therefore, the careers of those two great soldiers confirm in a striking way the truth of the statement made above, that without opportunity nothing can be done in this world. Moreover, it would be foolish to try to belittle opportunity because sometimes it enables the self-seeking and the vulgar-minded to rise. For it must not be forgotten that the cases are still more numerous where it favours those who are not animated by selfish and vulgar ambitions. Washington and those with whom he co-operated in the War of Independence did not subordinate the interests of their country to their own aggrandisement. Neither did Stein and Hardenberg in Prussia, and the distinguished successors who continued and completed their work. Lastly, the statesmen who, in the course of a single generation, transformed Japan from a State of

the Middle Age type into a State of the modern type were animated by a single-minded desire to protect their country from Western coercion, and possibly from Western conquest. Perhaps some readers may consider that too much attention to revolutions and the opportunities they afford is here being given. If there are any such, it may be well to remind them that revolutions are not quite so uncommon as they suppose, and, what is more important for the argument here being advanced, that, great as are the opportunities revolutions offer, those opportunities very often are not availed of. At the present moment, for example, there are incalculable opportunities in Russia, Turkey, Persia, and China; and yet up to the present, at all events, nobody has been able to take full advantage of them. This naturally leads to the remark that even revolutions, wonderful as are the opportunities they present, very often fail to call forth the persons capable of turning such opportunities to account, and in its turn the fact that opportunity often fails to bring forth persons capable of taking advantage of them strengthens the argument put forward above that education cannot equalise opportunity. The reason why revolutions and other things fail to call forth those capable of taking advantage of them cannot be that there are not in the community persons with the qualities which would enable them to do so. The French Revolution, to take a special instance, brought to the front a multitude of men of extraordinary ability. The Great Napoleon so overshadows the rest that people fail to recognise fully the greatness of those others. Yet at any other time they would have made for themselves a great place in history, as will be evident from the mere mention of only a few of them, such as Hoche, Pichegru, Moreau, Dumouriez, Carnot, and Talleyrand. It is simply incredible that so many illustrious men could have revealed themselves in France

at the same time, and under the same influences, and yet that in other countries such as Russia, for example, at present there exist no great men at all. The true explanation must be that in countries such as contemporary Russia, Persia, and China, circumstances interpose in the way of really able men obstacles that for the time being prove insurmountable. Either those capable of guiding or suppressing revolutions are in a subordinate position, or for the moment are employed at a distance, or are struck down by illness, or, in short, for one reason or another, are so circumstanced that it is not in their power to take advantage of the brilliant opportunities offering. It will be recollected that Nelson himself was employed in the American War of Independence, and yet that it was not until the French Revolutionary Wars that his greatness came to be recognised. Again, General Havelock only found the opportunity to manifest his real merits quite late in life. Furthermore, the revolution provoked in Japan by Commodore Perry's insisting upon the throwing open of that country to foreigners brought forward a multitude of men of extraordinary ability who have achieved wonders which it is only necessary to refer to. To cite one last illustration, it is only necessary to remind the reader of the vast number of men of extraordinary capacity who were called forth by the Reformation. Surely, it is impossible to believe that France, Japan, and the era of the Reformation are quite exceptional in the respect here referred to ; that the two countries named happened to possess at a turning point in their history a remarkable group of great men, such as no other country has ever produced at one and the same period, and that there was something in the Reformation which enabled it to inspire those devoted to it with exceptional qualities. The truth must be, as said above, that there is an immense amount of talent

at all times in every community which never finds fitting scope. In normal times, it is quite true that the opportunities do not occur which enable men to rise from the humblest rank to the highest. Nay, it may well be doubted whether it is desirable that such opportunities should occur, for, in the first place, they would necessarily cause a great disturbance of society. An exceptional man here and there may rise to an unusual height, even in quiet times, but that very many should so rise is only possible where there is a great unsettlement of the social system. Furthermore, a great number of examples of men attaining extraordinarily high positions and possibly great power would be calculated to stimulate ambition of a kind which might not be altogether for the welfare of the community. It is, of course, well that people should desire to rise and should employ their ability in the hope of doing so. But the kind of ambition just referred to as dangerous is more likely to blind men to the reasonable and normal opportunities which offer and to tempt them to try to create opportunities possibly by stirring up strife. Putting that aside, however, every one will agree that it is beyond question desirable that the whole community should be so thoroughly educated that each member should be in a position to take advantage of such opportunities as offer to him or her. In the ordinary work of the world the number of opportunities constantly occurring is incalculable. Probably there is no man who has attained any age who in looking back does not see that he has missed a multitude of opportunities, nay, that very often he altogether missed recognising them. Moreover, any one who will take the trouble to study the matter will soon convince himself that only an incredibly small proportion of people in all classes submit to the labour of preparing themselves to take advantage of opportunities, even of the very opportunities which they hope

to profit by. Attend the debates of the House of Commons for some time and listen carefully to the speakers. You will be surprised at the little ability shown. Constant practice renders those who sit upon the Front Benches very ready in reply. It also enables them to make a passable speech. But you will not be long listening to the debates before you come to the conclusion that oratory is dead in England. Yet the gift of the gab is the key to almost every office in this country. Men devote themselves to a public life from early youth and attend Parliament very regularly and yet they will not submit to the drudgery of studying and practising how to make a real speech. Very few of them even know how to put their case tellingly. Again, the service of the Church of England consists of a good deal of reading and of preaching. How few clergymen can preach a sermon that will hold the attention of the congregation. How much fewer of them still can pass the criticism of an educated man. Nay, what is more remarkable still, how very few of them can read properly. It may be said that all this illustrates want of training, which is no doubt true. But it also illustrates the absence of the feeling that training is wanted. In other words, it proves that however industrious those referred to may be they are not industrious enough to qualify themselves for taking advantage of opportunities. You will hear clergymen often complain of the difficulty of rising without influence. You will probably in your own mind feel there is little wonder that it should be so considering how ill-equipped so many of the clergy are. Passing to the business classes, no one who gives attention to the matter can fail to be impressed by the utter absence in most cases of any real preparation to take advantage of opportunities. There is a kind of training; but neither the trainers nor the trained seem ever to have realised that opportunities are certain to

offer to every man and that those who are fitted to take advantage of them will succeed.

No doubt, however good the educational system might be, some would fail either to perceive the opportunities or to take advantage of them. But it is reasonable to anticipate that the great majority would not so fail, and that, consequently, we should have a community very much more progressive and very much more prosperous than any now to be seen. Those with inventive minds would escape much of the drudgery which inventors have now so often to go through. They would be better informed as to what had been done in the past, and, therefore, they would not have to go over what already had been accomplished. Again, if manufacturers were specially educated for their work in life they would understand better than manufacturers do now which industries are overcrowded and which industries offer the greatest prospect of success. To illustrate what is meant by the remark just made the reader may be reminded that this country failed to recognise the importance of the electrical industry. The United States and Germany thereby got such a start of us that even to-day we have not recovered the lost ground. If our manufacturers were highly trained they would be better qualified to recognise the importance of every invention; they would be more ready to risk capital in attempting to apply that invention; and they would thereby not only enrich themselves, but they would increase the employment they would be able to give to the working classes, and thus would raise the condition of the whole community. Lastly, if the working classes were thoroughly educated they would give up what is now one of the great drawbacks to trade unionism—the attempt to prevent the more skilful and the more active from producing more than the less qualified. No doubt the trade unions at present are animated by a very kindly

consideration—the desire, namely, to avoid showing to employers that men getting on in life are of less value than the younger and the more active. But the rule to which reference has just been made, nevertheless, is injurious not only to the younger and more active working men, but to employers and to consumers, and in the end to the working men who are getting on in years. A thoroughly sound system of education would make all this clear to the working classes, and if working men as a rule were animated by the desire to fulfil, in the spirit as well as in the letter, the contracts into which they enter how immense would be the increase in the production of the world.

It may be thought that education such as has just been sketched would prove inimical to the classes that are now better off, and would almost entirely favour the working classes. There does not seem to be any reasonable ground for entertaining such a notion. If the young men of the well-to-do classes refused to take advantage of a thoroughly sound education they would as a matter of course suffer, and they would suffer deservedly. But it is inconceivable that many of the better-to-do would refuse to avail themselves of a thoroughly good system of education. On the contrary, they would be spurred on to greater exertion than before by the very knowledge that all classes under them were working might and main to advance themselves. A system of education would be clearly defective which did not include all classes in the community. It has been already said that it is as important that employers should be well educated as that their workpeople should be able to enter into the spirit of their contracts and to carry them into effect. If the present organisation of industry is to continue, and if a really sound system of education is to be introduced, the well-to-do classes must share in all the benefits such system of education would introduce. Assuming, then, that all classes shared in the new system of

education, it is reasonable to conclude that there would be an immense increase in the prosperity of the country. No doubt, as has been said more than once, several would fail to derive the full benefit from the better education, and even of those who did avail themselves of it some would fail to seize opportunities as they presented themselves. Still, the vast majority would not so fail. Even now, when education is so backward and so few are fitted to seize opportunities, the proportion of those who will not work is small. With a thoroughly good system of education fitting people to seize opportunities the proportion would rapidly diminish. And, therefore, the unemployables would become less and less.

The late Sir Henry Campbell-Bannerman estimated that about one-third of the total population of the United Kingdom is constantly living on the verge of hunger. Even if his estimate was exaggerated there is no doubt that the proportion is very great, and if such a system of education as in the preceding pages an attempt has been made to describe for the benefit of readers were introduced that proportion would inevitably be greatly reduced. If it was reduced only by one-half the number of the very poor would be only one-sixth of the whole population, while one-sixth of the whole population, or one-half of those who are now living on the verge of hunger, would be raised to a much higher standard of living. Their greater efficiency as workers would not only help to increase the total production of the country, but it would increase their own purchasing power very largely. It would be like the acquisition of a new market containing six or seven millions of people capable of buying on a very respectable scale. At the same time, those who are immediately above the proportion who are now living on the verge of hunger would be raised in a still more marked way in the standard of living. Their production would be largely

increased and, consequently, their purchasing power. And the impetus to improvement thus given would be conveyed from class to class, with the ultimate result that the wealth of the whole community would be very largely augmented, and, consequently, its purchasing power. There would remain, as has been said before, a proportion which, on account of mental or physical deficiencies, would be incapable of supporting itself. How small that proportion might ultimately become through the instrumentality of education, in the first place, by transferring the surplus population of the towns to the rural districts and to the oversea possessions of the Crown, in the second place, as well as by administrative improvements of various kinds, it is impossible, of course, to foresee. But that there would be an ultimate residuum can hardly be doubted ; and that ultimate residuum could be dealt with effectually only by in some way or other discouraging, if not actually preventing, the marriage or co-habitation of persons likely to bring into the world children of a very low mental and moral character.

CHAPTER X

EDUCATION—THE SCHOOLS

IN the last chapter it was pointed out that education has its limitations, which, though they may be modified, cannot altogether be got rid of. In this it is proposed to call the attention of the reader to the fact that in the past, through ignorance and want of thought, we have not only prevented education from being as beneficial as it might be, but we have in certain ways made it actually harmful. It is useless, as it certainly is not helpful, to censure public men severely for mistakes made either through over-zeal or want of experience. At the same time, the feeling that this is so ought not to induce us to refrain from pointing out the mischief done in many instances by mis-directed desire for progress and ignorant impatience. It is necessary, therefore, to say plainly that most of the shortcomings which it is now proposed to call attention to have sprung out of the eagerness of people who had suddenly discovered the existence of an evil and were somewhat fanatical in their desire to root it out without having properly studied either its causes or the way to remove them. In the middle of last century earnest and able men preached long and preached successfully the necessity for education. They pointed to the great work that was being done in Prussia, and they laid great stress upon the backwardness of our own people. At last, the Prussian victories over Austria in 1866, and over France in 1870, compelled all onlookers to admit that universal education

had accomplished a great work, and that those nations which desired to hold their own must follow the example set by Prussia. As usual, converts proved to be more zealous than those who had converted them, and in their early zeal they set so much store upon education that they refused to look practically at anything else. They did not remember that while education is of inestimable value it cannot work miracles. They forgot, moreover, that even education may be purchased dearly if the health and the sight of the pupils are undermined. And they refused to see that young children need exercise and play as well as schooling. The result has been that a good deal of harm has been done, and that there is need now for undoing a great deal of what those over-zealous people insisted upon in the last quarter of last century. The fault, though largely due to over-zeal, has not been so altogether, nor perhaps even predominantly. It is to be recollected that the clergy of the Church of England, the Roman Catholic Church and the Jews insisted upon maintaining privately supported schools. Great public spirit undoubtedly was shown in the maintenance of those schools. But every day that passed brought out more clearly the unfitness of the schools of the old kind and induced the Education Office and the great Board Schools to introduce improvement after improvement. Naturally private subscription was unable to keep pace with public effort, and at last the denominational schools fell so much behind the public elementary schools that the State practically took them over. Since then, no doubt, those schools have been improved. But they still leave much to be desired. To give a few examples of what is meant by the foregoing it may be pointed out that it obviously is not right to require children of tender age to walk long distances every day to and from school. Clearly, also, it is cruel and injurious to health to require children to sit for hours together,

possibly in wet clothes, in a cold room. The schoolroom ought manifestly to be kept properly warm. Over and above this, every schoolroom ought to be well lighted. There is no question that weak sight is more prevalent now than before schooling was so general, and there is room for little dispute that the bad lighting of schoolrooms has a good deal to do with short sight. It must be admitted fully that rates and taxes are heavy ; that, therefore, public bodies must not be expected to expend too much either in building schools or in improving those already built, lest a reaction against education be aroused. But what it is reasonable and prudent to do ought to be done to make the schoolroom, at all events, not unhealthy, and to bring the schools as near as possible to the children attending them. In large towns there is comparatively little difficulty with regard to the number of schools. But in rural districts, where the population is scattered thinly over a wide area, it is less easy to provide schools near enough to all the children. Not only is this the case because of the cost, it is so likewise because of the demands of efficient education. It needs no long argument to show that very large classes are objectionable, since it is impossible for any one instructor to maintain discipline in them and to effectively teach all their members. On the other hand, it is essential that a class should be of reasonable size, else we shall either have to give disproportionate salaries to the teachers of very small classes, or, where we have many schools in a thinly populated area, we shall have to employ a number of badly qualified teachers. All the difficulties in the way must be frankly recognised, and our aim should be to do what is possible to turn the flank of those difficulties when we cannot remove them. In the large towns there is no serious difficulty in making most of the necessary improvements. It will cost money, but the money can be afforded. Yet even in the large towns there

are some changes which cannot easily be made. Nobody will dispute that playgrounds of some kind are needed for the school children. Living in poor streets, often very unsanitary, and having no open spaces near, the children have to play in the streets. Otherwise, they have no exercise and no open air. It is, therefore, of the utmost importance that they should have a playground somewhere in which they should be able to go through all the exercises necessary for the physical education upon which stress has been already laid. But even in the large towns many schools have no playgrounds attached. In London itself the number of such schools is large, and it must be admitted that the circumstances are such that it is not easy to supply what is wanted. Yet it is difficult to see how children can grow up really strong and healthy if they have not proper physical training, if they have not even ground for playing except in the public streets. In country districts the cost of many urgent reforms would be great, and it is to be feared that they will, therefore, be postponed for a considerable time. In the rural districts the rates are already heavy. They will become heavier as time goes on. As a consequence, the schools are seldom such as a right-minded educationist would approve of. The equipment of the schools also often leaves much to be desired. Of course, rural districts differ very widely. In some parts of the United Kingdom the equipment is scandalously bad. For example, in Ireland elementary education is under the control of a body which is not elective, which, indeed, does not seem to consider itself in any way responsible to the Irish people. Directly, also, it is not under the control of the Government. It need hardly be explained that as it is nominated by the Government, and is dependent for all its power upon the Government, it is always obliged to yield when the Government is determined. For all that, it is in such an abnormal position that it is not instantly

responsive either to Irish public opinion, or even to the Government. Over and above this, the public, having no control of the schools, takes exceedingly little interest in them, and directly the public contributions are insignificant. In the interest of Ireland it is the most important of all things that the whole system of education should be changed. Unfortunately, the prospect of a change is not great. Theoretically, the Irish elementary system is not denominational. In reality it is highly denominational. The clergy of the various denominations are usually the managers. They appoint the teachers and govern the schools. The public has, to all intents and purposes, no voice, and the Government feels that it can continue the system only by leaving the real management to the clergy. It follows that the nature of the education is bad; that the method of education is worse; that the payment of the teachers is inadequate; that the schools are usually badly built; that they are worse lighted; that they are cold; and that even the flooring is often disgracefully unhealthy. But, as the clergy of all denominations desire to maintain their present control over the schools, they will certainly oppose any serious reform which would transfer from them to the county and borough councils the management of the schools. In addition to all this, the schools are far apart in the country districts, for the population of Ireland is now very sparse. Consequently, children often have to walk miles to the schools, and back again in the evening. The climate of Ireland, as everybody knows, is exceedingly wet. As a result, children often arrive wet in school, and have to sit in their wet clothes all day in school. Lastly, the children often have to bring with them fuel, usually in the form of peat. It would be difficult to exaggerate the badness of the whole system of elementary education in Ireland. But perhaps its worst feature is the unfitness of the schools.

Because of the dampness of the climate, consumption is extremely prevalent, and it is likely to be spread by the unsanitary condition of the schools, and the distances the children have to travel, morning and evening, to and from them. Too much stress cannot be laid upon this matter, for the condition of Ireland is exceedingly serious. For seventy years the population has been declining, and is now only about half what it was seventy years ago. The population, too, largely consists of old people and young children, so many of the young men and women emigrate. Consequently, if something is not done to improve at least the schools, and ensure the health of the pupils by making the schools healthy, the decline of the population will go on.

Even in the Irish towns the condition of the schoolhouses is exceedingly bad. Year after year the Commissioners for National Education lay stress upon this point. They cite cases even from Belfast, the most commercial and progressive town in Ireland, which would hardly be credible did not the citation come from the highest educational authority in the island. But if the schoolhouses are so bad in Belfast it can be imagined how much worse they must be in the smaller towns and poor rural districts. The remedy, as already said, is to be found in a thorough reform of the Irish educational system which will transfer its control to the people themselves through their local representatives, and will impose upon them the responsibility for improving both the educational system itself and the houses in which teaching goes on. Great as the difficulties of reform undoubtedly are, yet there happily seem to be better grounds than have hitherto existed for hoping that a thorough reform is not entirely impracticable. The Gaelic League, which was originally started to revive Gaelic, the ancient language of Ireland, which has died out over a considerable part of the island, but which is still spoken by a considerable number all along the western

coast, has created a desire for education which is most praiseworthy and exceedingly remarkable. The Gaelic League has not only succeeded in calling forth interest in Gaelic, but it has aided, likewise, in calling into being an eagerness for general education. No doubt, the work of the Gaelic League has been assisted by contact with the outside world, by the experience which so many Irish people have gained in Great Britain, in the United States, and in the colonies. In any case, there is a remarkable movement for the improvement of education in Ireland which is not confined to any class or to any creed. Such a movement must ultimately succeed. Possibly it would already have asserted itself even more strongly than it has done, were it not that there is such general belief in the country that the grant of Home Rule is imminent, and naturally it is desired that the coming reform of education shall be carried out by the representatives of the Irish people acting under the immediate influence of the Irish people themselves. But whether that be so or not it seems certain that all existing systems of education in Ireland have fallen into disrepute, and the extreme eagerness for better systems must be successful before long.

Happily, in England and Scotland matters are far better than in Ireland. But even in the rural districts of England and Scotland there is much to find fault with in the condition of the schools. Owing to the want of playgrounds in so many of the schools there is need for supplying the defect in some way or other. There is, as every reader knows, a grave fear that physically the English people are degenerating. The fact is not established by the Royal Commission that inquired into the matter. Nevertheless, the fear has not been dispelled. It is also in this connection to be borne in mind that the birth-rate amongst the well-to-do in England and Scotland is steadily

declining, while the birth-rate is increasing amongst the poor, and especially amongst the very poor—those, in short, who are the lowest in foresight, self-control, and generally in character. If this state of things continues, the classes which are best morally, intellectually, and physically will leave fewer and fewer descendants than in the past, while the classes which are lowest morally, intellectually, and physically will leave more descendants, with the consequence that, unless something happens to prevent it, there will be a degeneration of the nation taken altogether. It is a moot point how far education and environment affect mind and body ; or, rather, it is a moot point whether change brought about by education and environment is inherited. It would be out of place here to discuss such a question. But we seem justified in assuming that no reasonable educated man doubts that education and environment do cause heritable change. To deny that would apparently be to deny all the lessons of experience, and to affirm that while education changes the immediate recipient it makes no difference to the descendants of the recipient. But if it be admitted that the changes effected by education somehow or other are transmitted to succeeding generations, it follows that if degeneration is to be prevented it is of the utmost importance that everything possible should be done to eliminate both from our schoolhouses and from our school system everything likely to affect injuriously either the physique or the power of application and observation of the pupils. It is of equal importance that nothing should be left undone to supply whatever is calculated to improve the people physically, mentally, and morally. Whether there is degeneration or not, this much can hardly be doubted, that in the great towns the physical condition of the people is inferior ; that all the conditions in which the very poor live are unfavourable ; and, consequently, that the need for a serious effort

to improve the stamina of the people is required. Consequently, as has been urged before, there is the utmost need for physical education in the most extended sense of the phrase. Where it is possible there ought to be playgrounds. But as already said, playgrounds do not exist in many cases, and cannot easily be obtained. Some way, therefore, needs to be found for supplying the necessary training. Just as miniature rifle ranges have been suggested to provide means for the rising population to become good shots, so, no doubt, ways will be found for turning the difficulty here under consideration. In the rural districts the difficulty ought to be easily overcome. For even if schools in many cases have no playgrounds attached, yet it ought to be possible to find some means or other for giving the necessary physical training. But in the towns the difficulty certainly is grave. Yet even in the towns it ought not to be insurmountable. Perhaps it would be possible to make some use of the schoolhouses themselves.

Furthermore, it seems desirable that the schools should be used when teaching is not actually going on for promoting various purposes affecting the young. One of those purposes is the importance of thrift. The English and the Irish are notoriously wanting in thrift. The Scotch certainly are much more thrifty. But in the case of both the English and the Irish there is far too much extravagance. Yet if a young man or a young woman is to make any advance in life, thrift is essential. The first saving of money is, no doubt, painful, and as only a very small sum can be got together for a considerable time the temptation is to regard the whole thing as hopeless. But there ought to be impressed upon the young while they are in the most susceptible stage the great importance of laying by something. It ought to be done not only in school hours but even after school hours. And there seems no reason why the schoolhouse itself should not be used

as a kind of penny bank. It is not meant in saying this, of course, that the money should be kept in the schoolhouse. But if the teacher or some benevolent person interested in the school and desirous of promoting the welfare of the children would after school hours attend at the school for some time, say on special evenings, to receive subscriptions, to give lectures, and generally to excite the interest of the young people in thrift, a great deal of good might be done.

The schoolhouses also might be utilised for bringing into existence people's banks. In Ireland, where the movement for founding such banks has made very great progress, it has been found that the national school teachers have given the very greatest assistance, indeed, have largely contributed to the success of the movement. In most cases the secretaries of the banks are national school teachers. Probably there would be no difficulty found in Scotland or in rural England in enlisting the support of the teachers. Even in the towns there is no reason why, if the matter were put properly before the teachers, their interest might not be excited. At all events, if the teachers would give their support, it would be of immense help.

CHAPTER XI

PROMOTION OF HEALTH

THE efficiency of education manifestly depends upon the state of health of the students. A child in ill-health clearly cannot be expected to make much progress with its lessons. Therefore, if it were only to ensure that the time, thought, and money spent upon education are not wasted, it is essential that proper measures should be taken to improve the health of the nation. In an inquiry into the means by which the purchasing power of the community can be raised, it would be out of place to descant upon the suffering, anxiety, and anguish caused by disease and death. But it is eminently in place to call attention to the extremely high proportion borne to the general cost of maintaining the population by the outlay upon sickness of every kind. If the statistics could be collected with anything like an approach to truth the public would be astounded at the result. Even such small matters as headache, biliousness, and the like, unfit people for the due performance of their business, and, consequently, are expensive to the country because they diminish the efficiency of work. When we proceed to more serious illnesses, and call to mind how large a proportion of the whole people is at one time or other compelled to be absent from their avocations, it will be seen that the cost must be enormous. Furthermore, it is to be recollected that deaths from preventable diseases very often carry away the bread-winners, and plunge widows and orphans

in distress. As a result they make it impossible properly to bring up the young families, and, in consequence, they increase the vast multitude of the submerged classes. It would seem, then, to be the duty of the State to give the rising generation such elementary knowledge of medicine as would enable all persons to keep themselves fairly healthy without having to run to a doctor so frequently as now. Any one who walks through the streets of a large town and watches the passers-by, will be surprised to note how many walk with their mouths open, thus giving ingress to every injurious matter that may be floating in the air. Again, it is notorious that multitudes of people do not chew their food properly. The young, eager for play, do not give time to their meals. Adults act similarly in the belief that the pressure of work is so great they cannot give the time necessary for properly chewing their food. Such simple matters as these could be impressed upon children with very little difficulty, and need take up very little time in the schools. Yet such simple matters would make an immense difference in the health of the people. The prevalence of illness would be much reduced if every individual breathed at all times through his nostrils and took full time properly to chew his food.

On the 11th of July 1904, a large and influential deputation, mainly composed of members of the medical profession, waited on the President of the Board of Education to support a petition signed by 14,718 registered medical practitioners in the United Kingdom for the teaching of hygiene in elementary and secondary schools. The petitioners desired it to be considered whether it would not be possible to include in the curricula in the public elementary schools, and to encourage in the secondary schools, such teaching as may, without developing any tendency to dwell on what is unwholesome, lead all the

children to appreciate at their true value healthful bodily conditions as regards cleanliness, pure air, food, drink, etc. In supporting the petition, Sir W. Broadbent said as medical men they had seen that ignorance was the parent of suffering and ill-health almost as much as vice, and that it was ignorance that led to vice. This ignorance was especially manifested on points of hygiene such as ventilation, food, and alcohol. In replying to the deputation, the President of the Board of Education regretted to say that the teachers in our schools were so ignorant of hygiene that they were quite unfit to teach the pupils ; but he promised that the Board would see to it that the knowledge on these matters of the teachers should be improved. A deputation representing some of the most eminent members of the noblest of all professions, and supporting a petition signed by nearly 15,000 medical practitioners, was well calculated to make an impression upon our public men. But it is greatly to be feared that the result has not been equal to the expectation aroused. Indeed, the petition itself was in a certain sense defective. It urged making a knowledge of hygiene necessary in the public elementary schools. But it asked only for encouragement of the same studies in the higher schools. No doubt the petitioners were influenced in this by the fact that the elementary schools are supported by the rates and by the taxes, whereas the higher schools are not so directly under the authority of the Government. At the same time the difference made between pupils of the lower and the higher classes was calculated to take from the authority of the petition. Unfortunately, there is as much ignorance in the higher classes as in the lower, for beyond all dispute on questions of hygiene the whole of us are shamefully ignorant. Therefore, in a matter affecting the health of the whole population, mere technical considerations should not be listened to. In all schools it should be rendered

compulsory, to teach what it is possible to teach of matters so important.

Many persons, no doubt, are inclined to think that education is being carried too far ; that if we are to include some elementary knowledge of medicine with all the other branches of education it will be impossible for the children to learn anything at all. The argument is very specious ; but it is by no means conclusive. Very much depends, firstly, upon the efficiency of the teachers ; and, secondly, upon the organisation of the schools. If the teachers are themselves ignorant, they can hardly be expected to convey much knowledge to their pupils. Over and above this, if the organisation of the schools is bad, there will not be sufficient time for half the work, however abridged the list of subjects may be. Whereas, if the teachers are efficient and the organisation good, there will be plenty of time for any scheme of instruction likely to be adopted. In any case, it is clear that something requires to be done to improve the health of our people. The alleged degeneration of the English people has not been proved. But there remains very grave anxiety, because it is perfectly plain that a large proportion, at all events of the less fortunate in the towns, are not of the physique that a lover of his country would desire. Degeneration or no degeneration, there is certainly less healthfulness than there ought to be. There is only a certain amount regarding health that can be taught, and it is only the simple things, therefore, that it is desirable to teach to young children. But, as pointed out above, there are many things which children could well learn and which could be easily taught. Perhaps continuation schools of every kind might relieve the ordinary day schools in this matter to a considerable extent. It is also very desirable to consider whether State lecturers might not be employed with immense effect. A little while ago a series of lectures upon con-

sumption was organised in Ireland, and the lectures proved highly successful. Consumption is woefully prevalent in that country, and the interest of the public was, therefore, easily excited. For that reason very large numbers flocked to the lectures in the hope of being able to learn something that would enable them to relieve the sufferings of those near and dear to them. The experience in this case gives ground for hoping that well-organised lectures would effect a great deal of good.

Of course, the Board of Education in such a matter ought to be guided largely by medical advice, and especially it should be guided by medical advice in the selection of the lecturers, for it need hardly be observed that the effect made by a lecture depends upon the lecturer. Some men are able to make even dull subjects interesting; while others make even the most interesting subject dull. In any event, it seems only common sense that in endeavouring to fight disease we should try to enlist the support of the people themselves. There are countries, unfortunately, where ignorance and superstition prevail to such an extent that it is considered almost an impiety to venture to resist what is supposed to be the act of God. Fortunately, in these countries ignorance and superstition do not extend so far. The extent of ignorance still existing there is no wish in the least to minimise, and it may freely be admitted that there is a prejudice almost amounting to superstition against sanitation. Still, if gone about in the right way, people are amenable to good counsel, and, therefore, the best results will be obtained if the help of the people themselves can be enlisted in the struggle. But, however much may be done by teaching in all its forms, the burden of the fight must be borne by the medical profession. There is a vast medical service subject either to the central Government or to the local governments, and this great service is doing most admirable work. But while no

man who has given study to the subject will deny that much, if he is honest he must go on to regret that after all so much is left undone. Dr. Newsholme, the Chief Medical Officer of the Local Government Board, states in an inquiry upon infant mortality published in July 1910 that the destruction of infant life is mainly due to the unsanitary conditions in which the working population of certain parts of the country live. He tells us that the thickly populated parts of Durham and Glamorgan, and certain portions of Lancashire, Staffordshire, and Yorkshire, are in a profoundly lower condition as regards elementary sanitation than other parts of England. He might add that even the best parts of England leave very much to be desired. He goes on to report that the responsibility for a large proportion of infant mortality must be borne by the sanitary authorities so long as they permit the continuance in closely aggregated towns and in large compact villages of arrangements for keeping excretal products near the houses ; so long as they do not carry out scavenging satisfactorily ; so long as they allow streets and houses requiring it to continue unpaved. Yards, he declares, connected with houses occupied by the labouring classes are not properly paved, concreted, or asphalted. According to his report a large number of the front streets, and nearly all the back areas, are in a deplorable condition ; the roads are frequently formed with ash surfaces ; and deposits of ashes have raised the level above those of the yards, which in wet weather are flooded in consequence. He adds that the cow-sheds are kept in extremely bad condition. Over and above all this, he informs us that the Medical Officers of Health in the districts to which he is referring do their duty by reporting to the local sanitary authorities the disgraceful state in which large portions of districts under their care are kept. They do this at the risk of being dismissed. Unfortunately,

the local authorities do not act upon their reports. They are themselves, no doubt, profoundly ignorant of hygiene, and probably they think that as the unsatisfactory condition has lasted so long it can last a little longer. Over and above all, they are exceedingly desirous to keep down the rates, and with that view they disregard the health of the people subject to their jurisdiction. Now if the Local Government Board has power to compel the local authorities to do their duty, surely the Local Government Board ought to do so. If, on the other hand, the Local Government Board has not the power, then it ought to ask for the power from Parliament without delay. All over the country local sanitary authorities are established with the necessary staffs, all of which cost a great deal of money. It is, therefore, wasteful as well as wicked to fail to carry out the duty for which the authorities and the staffs under them have been called into existence. It seems clear, consequently, that the first thing requisite is a fearless enforcement of the law so as to ensure, as far as public authorities can, that the seeds of death which are scattered broadcast over a large part of the country shall be without delay got rid of. But very much more than this is necessary. It ought to be made punishable to erect houses which, from the necessity of the case, must be unhealthy. For example, a row of houses backing to other houses only a short distance from them, or to high walls, or other preventives of free draughts of air, must, in the nature of the case, be unhealthy. Such houses ought to be prohibited for the future. Those that exist at present, unfortunately, presumably cannot be pulled down. But whatever is possible to do ought to be done to ensure that they shall be made more healthy than they are. Again, it is obviously desirable that a change should be made in the land laws, at all events concerning towns. No doubt the new land taxes will effect something, if, for example,

they prevent land from being withheld from the market although it is required for the furnishing of a better class of houses for working families. However that may be, it is clearly the duty of all parties to see that the housing of the poor is proceeded with as quickly as circumstances permit, and as judiciously as can be made certain.

It also seems to be desirable that there should be some closer relation established between the sanitary arrangements of the three kingdoms. It is not suggested, of course, that Ireland and Scotland should be brought under the authority of a central body in London; but rather that there should be an official connection. Each country requires a system to itself, because none outside of it can know the real requirements of the country. But at the same time, it seems highly desirable that there should be more communication between the three kingdoms. Of course, there is unofficial communication at conferences and the like. But some kind of official connection might be established which, without subordinating any part of the United Kingdom to any other, would at the same time bring them all closer to one another. Is it not possible, also, that there might be established closer and more frequent communications with all the oversea portions of the Empire? The British Empire is the largest in the world, and with the possible exception of China has the vastest population. The Empire is scattered over the globe in all varieties of climate. And, therefore, it has the means of accumulating an experience such as is impossible anywhere else. There are, no doubt, communications between the various parts of the Empire. But is it not possible that there might be a better organisation which would place at the service of every community the experiences of all the others, and which at times would enable those others to benefit by the knowledge of the more advanced? Lastly, much greater provision ought

to be made for research. Everybody knows how much research is going on not only at home but also abroad. Unfortunately, however, it is conducted very much at the expense of individuals. The medical profession is full of enthusiasm and of public spirit. Yet it is unjust to draw too far upon that enthusiasm and public spirit. There ought to be a better endowment of research, an endowment on a scale that would give reasonable assurance that research would be carried on more successfully in the future. As has already been said, the British Empire is the most extensive in the world, and varies most in regard to climate, race, and other conditions. Therefore, it affords exceptional opportunities for successful and beneficial research. There is very much being done in different parts. In some the research is conducted entirely at the expense of the Government. But even if we grant all this, it seems clear that there ought to be an organisation which, without claiming the right to interfere with those conducting research abroad, yet would be in a position to extend its activity to every portion of the Empire.

CHAPTER XII

THE LAND SYSTEM

To improve the condition of the people quickly and appreciably, perhaps nothing, education alone excepted, promises to be more successful than the transfer of a large portion of the surplus population of the towns to the rural districts. Everybody now is agreed that the depopulation of the rural districts and the overcrowding of the towns are the cause of some of our worst diseases; that as long as they last we shall not be able materially to decrease unemployment; but that if we could put a stop to them we might reasonably hope that a marked improvement in the condition of the people would take place. But the depopulation of the rural districts and the overcrowding of the towns are the direct result of our land system. Every reader is aware of the powerful influence exerted by its land system on the people of every country. And the influence exerted by the English land system has been so intense and so lasting that it calls for some study. Our modern system may be said to have grown out of the Wars of the Roses. It is true that the law was not changed materially by those wars and their immediate results. Yet by them the system itself was revolutionised. One result of the Wars of the Roses was to destroy the ancient nobility and, through forfeitures, to increase beyond all precedent since the Conquest, the power of the Crown. Henry the Seventh, taught by experience, passed a law forbidding the nobles to maintain great bodies of armed

retainers, and, what is more to the purpose, was able to enforce it. Henry the Eighth reformed the Church, plundered the monasteries, and cut off nearly all of the few remaining great nobles. He proceeded, however, to create a new nobility in place of the old. But the new nobility differed utterly from the old, in spirit especially, in its attitude towards the agricultural population. The monasteries were easy landlords. It was out of the power of the abbots and priors to found families. But when they were swept away and their lands granted to the King's favourites, the latter had every inducement to found families and to turn the lands to the best monetary account. The law of Henry the Seventh forbade them to keep armed retainers. The great woollen industry of the Low Countries created a demand for English wool. In consequence, the clearances of the country districts began. Every reader of English history will remember the savage laws passed against "masterless men" and "sturdy beggars," showing what a revolution was taking place and what a very large proportion of the residents in the country were practically turned out of house and home. The evil continued until the reign of Elizabeth, when, for the prevention of revolution, the Poor Law had to be introduced.

Thus the Wars of the Roses increased inordinately the power of the Crown, while the forfeitures that accompanied those wars, the destruction of the monasteries, the granting of their lands to laymen, and the Flemish demand for English wool, created and enriched a plutocracy, as distinct from a feudal nobility, whose interest it was to eject the small tillers of the soil from their holdings, and thereby to lower grievously the condition of the agricultural population. Had Henry the Eighth been a statesman, inspired by the lofty ambition of ensuring the prosperity and greatness of his kingdom, he had an opportunity to

anticipate the best outcome of the French Revolution and the great reforms of Stein and Hardenberg. For example, he might have established a peasant proprietary and called into existence a great system of education. But Henry was not a statesman, was not inspired by a lofty ambition, was not even broad-minded and far-seeing. On the contrary, he was selfish, cruel, short-sighted, spoilt by too much power, domineering, and masterful. Therefore, the welfare of the poorer classes was as nothing in his eyes. There is, of course, this much to be said in his excuse—that he had no standing Army; that nobody had then thought of universal liability to military service in the sense in which we are all familiar with it now; and that, in consequence, he believed he was entirely dependent for the safety of his Crown upon those whom he endowed so liberally with the lands of the Church. In any case, the opportunity to prevent the divorce of the people from the soil passed away, and the present generation finds itself confronted with the problem how to remedy the false policy then adopted. Even if Henry the Eighth shrank from the risk of offending aspiring favourites by granting away from them any considerable portion of what had belonged to the plundered Church, had he been really enlightened, he might have done what John Knox tried to do, but only partially succeeded in doing, in Scotland. He might, that is to say, have allocated some important portion of the property of the Church to the endowment of education. In that again, Henry failed. His policy caused education to languish, and the results have not been remedied to this day. Experience has shown that if the King dreamt of permanently strengthening the royal authority his policy was utterly mistaken. Had he established a standing Army, there is much to suggest that he could have made himself absolute—at least in support of the view it is hardly disputable that he broke with

Rome and robbed the Church against the wishes of the majority of the people. But as he continued to depend upon his nobles for maintaining his authority he did not become absolute, great as was for the time the increase of his power. When, however, the Tudor line came to an end the Royal authority was shown to be greatly weakened. The incompetence of the House of Stuart, together with the absence of a standing Army, enabled the country gentlemen practically to rule England. For, as already said, the King had to govern through them.

From some points of view the plutocratic system thus established was extremely efficient. For one thing, it enabled the great landowners to govern England almost to our own day. For another, it succeeded in maintaining a tolerable amount of order in spite of the deep distress of so large a portion of the agricultural population. The people submitted and took to emigration. From other points of view the system was extremely inefficient. England, which had formerly so often successfully invaded France, has never since been powerful on land. Moreover, the lower agricultural population continued to sink in poverty and ignorance until at the beginning of last century its condition was abject, as is shown by the necessity there was to reform the Poor Laws. On the other hand, the continuous reduction of the agricultural population, it may be argued, led to the founding of colonies. The subjugation of the Irish clans and the confiscation of their lands, it must be admitted, was largely the result of the land hunger in England. And the foundation of the American colonies, if it was inspired to some extent by dislike of the Established Church, was also very largely due to English land hunger. Meanwhile, there were great influences at work which temporarily counteracted to a considerable extent the evil working of the land system. The fifteenth and sixteenth

centuries witnessed an outburst throughout Europe of inquiry, invention, and enterprise exceeding anything seen since ancient times, and culminating in the Renaissance, the finding of the passage round the Cape, and the discovery of America. Such an outburst naturally led to improvement in every direction, which extended to England. Moreover, the constant need of money felt by the kings and the great nobles had compelled them to sell charters to the towns which enabled the latter to increase in prosperity. There were other favourable influences, of which it is necessary to mention only a few, such as the very considerable trade carried on with France and the Low Countries ; the conquest and colonisation of Ireland, attended by the wholesale plunder of the island ; the colonisation of the original American colonies ; and the great gold and silver discoveries in Central and South America which had so powerful an economic influence on all Europe.

It will be seen from the foregoing that the political results of the Wars of the Roses and the Reformation were reactionary. For a considerable time they increased immensely the power of the Crown. After that they increased as remarkably the power of the landed gentry. Economically the results were unfavourable to the smaller agricultural occupiers and to the agricultural labourers. Indeed, the Poor Law, or rather the Law of Settlement, one of its corollaries, reduced the agricultural labourers to a condition not very far above that of serfs, since that Law enabled poor law guardians to send back any one who became chargeable to the rates to his original parish, no matter how long he had worked in another parish and contributed to its prosperity. Furthermore, the fear that working people might become chargeable to the rates discouraged the building of cottages—often, indeed, induced owners to pull down cottages—which was a great

hardship to the labourers, since they often had to walk considerable distances to and from their work. The depopulation of the rural districts which is directly traceable to the law forbidding the maintenance of armed retainers, to the destruction of the monasteries, to the demand of the Low Countries for wool, and to the Law of Settlement, has continued ever since, and has now become so great an evil that all Parties are agreed that it ought to be stopped at any cost. If it is not only to be stopped, but is to be followed by a return to the land of a large proportion of the surplus population of the towns, it seems clear that the land laws must be radically reformed. There have been very considerable changes made in them during the last century ; but the changes are not enough to make possible a large peasant proprietary, and a large peasant proprietary, or something closely resembling it, is the desire of all Parties in the country.

Meantime, a beginning is being made in the desired direction. In Ireland we are now spending immense sums in establishing a peasant proprietary, and in England we have begun on a small scale to make it possible for such as desire it to obtain land on conditions which will not, indeed, make them peasant proprietors, but will at all events give them security of tenure on easy terms. The re-settlement of an industrious, thrifty population upon the land would, in the first place, diminish unemployment in the towns by lessening the competition for such employment as was going. Therefore, on that ground alone, it would be an immense advantage. It would do much to raise the condition of the whole people. Furthermore, it would give promise of restored prosperity throughout the agricultural districts. It is a mistake to suppose that the competition of the new countries would make it practically impossible for peasant farmers, whether proprietors or lessees of public bodies, to maintain themselves

successfully. Unskilful, wasteful farming, the want of capital, the absence of banking facilities, and the like would, of course, make it difficult for small farmers to maintain themselves. But if the law is reformed to suit the exigencies of small landholders, if agricultural education of the right kind is provided, and banking facilities are ensured, there is absolutely no reason why farming in England should not be carried on prosperously as well as trading of every kind. There is, in the example of Denmark, conclusive evidence that the competition of the new countries is not so destructive to agriculture as is generally assumed. Denmark is a very small country, not highly favoured either in climate or in soil. Yet Danish agriculture is successful in the face of all competition. It is not dairy farming alone, but the trade in cattle likewise is highly successful. What Denmark has done the United Kingdom can do if it goes about it in the right spirit and the right manner. Firstly, it will be absolutely necessary that the new farmers shall start without such a debt as will necessarily keep them back. Mere indebtedness is not in itself such a hindrance as it is often described to be. In Ireland, for example, we are starting the new peasant proprietors with a heavy debt. But then we are taking, in the form of interest and repayment of principal, less from them than they were paying before in the shape of mere rent to their landlords. The actual annual payments are thus reduced, and, in addition to this, at the end of the period for which the loans run the whole property in the land will be their own. If something is done that will ensure to those brought back to the land in England and Scotland a state of things not less favourable than that of the Irish peasant proprietors there is no reason why the new farmers should not prosper.

Furthermore, it will be necessary for the new farmers to have some working capital. In the case of Ireland

the tenants have working capital when they apply to the landlords to come to an agreement for the sale and purchase of the farms. Their farms are stocked, and, consequently, there is no immediate need for further capital expenditure. But here in England, if men are brought from the towns to the rural districts, either they must start in a very small way upon a mere corner of their new holdings, or they must in some manner or other be furnished with working capital. There is this other difference between the case of England and Ireland. In Ireland the purchasing tenants are already farming their holdings; they have some knowledge of the soil, and they have had some practice in the management of a farm. But in England, if men are to be taken back from the towns and settled upon the land, they cannot be expected to have any knowledge of the soil, and they will have very little more knowledge of the art of farming. Thus they will start without experience, without knowledge of the soil, and without capital. The difficulties, of course, may be overcome in several ways. For one thing, farm labourers who have enterprise may come forward. For another, younger sons of farmers may take advantage of the opportunity offered. But whatever plan is ultimately adopted, it is perfectly clear that if it is to succeed much thought must be given to the problem. How is the overcrowding of the towns to be relieved by means of resettling the people on the land if the majority of the people so resettled either have had no experience in cultivating the land, or have been away from the land for so long that they have forgotten much of what they once learned, and besides are not likely to go back to the special part of the country where they formerly lived and gained their experience? It would be an immense help if there could be provided an intermediate stage between taking the people from the towns and settling them on the land to

manage farms for themselves. If, for example, a Government department, or a local body, or an authority of some kind could employ them on the land for a while, making it part of the bargain that they should attend an agricultural school during their employment, and should endeavour, both by practice as workers and as students in the schools, to fit themselves for the position they were about to take. Whether that could be done is, however, problematical. A Government department is not likely to prove to be a model agriculturist, and a local body seems even less promising. Probably in some wise or other a way will be found out of the difficulty if once public opinion is ripe for the new policy. In any event, if farming on a small scale is to be established in England and Scotland, it will be absolutely necessary to provide banking facilities for the new farmers. There is a great deal of nonsense talked about debt. Credit, we all know, is the basis upon which trade is everywhere conducted in these modern days, and there is no kind of trader who needs credit more than the small farmer. He is conducting a business more risky than any kind of commerce pure and simple, for it is at the mercy of the weather. A bad season may land him in losses which will disable him from continuing if he cannot find banking accommodation of some kind. Again, an outbreak of disease amongst his cattle or his sheep or his pigs may inflict very heavy loss, in which case he will be unable to restock his holding unless he can get a loan. As a matter of course, if nothing is done to provide him with the proper facilities usurers will spring up in every village, and he will have to pay usurious rates for the accommodation he gets, which will ultimately ruin him. He will have to work then for a usurer, and unless he is wonderfully lucky he will never get out of the clutches of the usurer. But if the Government which undertakes to resettle the surplus

population of the towns upon the land foresees all this, and endeavours to meet it by setting up banks specially suited to the purpose, there is no reason why the experiment should not prove highly successful.

Lord Cromer, when he gave the concession for the National Bank of Egypt, made it part of the bargain that the Bank should cater for the peasant cultivators. It did so for a while, but after a time it came to the conclusion that the business was not suited to the National Bank. Therefore it founded an Agricultural Bank, to which it handed over its business with the fellaheen. Lord Cromer was convinced of the soundness of the conclusion to which the directors of the National Bank came, and to second their efforts he decided that the interest and repayments due to the Bank should be collected by the Government's tax collectors. The experiment thus entered upon has proved an extraordinary success, although the rates of interest charged to the fellaheen seem to English people very high. That, however, is by the way. The important matter is that our greatest living administrator saw the necessity for giving banking facilities to the fellaheen in Egypt and acted upon it with great success. What has been thus proved to be necessary in Egypt is still more necessary in Ireland. We are investing 200 millions sterling in buying out the landlords and establishing a peasant proprietary there. For every reason—Imperial, national, and philanthropic—it is of the utmost importance that the experiment should succeed, and that it may succeed it is clearly requisite that the peasant proprietors should be redeemed out of the hands of the gombeen men and should be able to get the necessary banking facilities on reasonable terms. It will be replied, no doubt, that the existing banks accommodate the farmers. So to a certain extent they do. But it is to be recollected that the existing banks are deposit banks, and deposit banks, from their very nature, are not

qualified to give the kind of accommodation to small farmers which they cannot dispense with if they are to be really successful. What has been proved to be necessary in Egypt, what is seen to be necessary in Ireland, will become necessary in England and Scotland likewise if there is to be a peasant proprietary here also, or something resembling it in kind. Supposing a great peasant proprietary is established throughout the United Kingdom, it will make many mistakes at first as a matter of course. But it will outlive its mistakes and learn by them. Gradually it will come to understand the nature of the soils that are being worked, the special produce for which they are suited, and so on ; and it will come to learn all this the more quickly if, as part of the educational system, there are agricultural schools and colleges studded all over the land, at which every one who intends to devote himself to agriculture can attend. Furthermore, if a Ministry of Agriculture is established whose special duty it will be to study the potentialities of British farming and to keep British farmers acquainted not only with such potentialities, but with the special kinds of farming suited to each district, and will provide them likewise with the best seeds and with specimens of any new industry that may be introduced, the difficulties of the new farmers will be immensely diminished. Indeed, with a Government department watching over agriculture as, for example, a similar department watches in the United States, with agricultural schools and colleges scattered over the land, with the whole people better educated in every way, and therefore better prepared to meet not only foreign competition, but all obstacles that may arise in their paths, there seems no reason to doubt that the experiment would prove successful. If it did, a prosperous, industrious, and thrifty farming population would grow up throughout the United Kingdom, and, furthermore, an incalculable

number of other industries would spring up likewise. There would be needed smiths, wheelwrights, farriers, veterinary surgeons, millers, and so on. The purchasing power of the whole country would thus be increased and a new impetus would be given to manufactures.

This is not the place to discuss in detail the shape which the requisite reform of the land laws ought to take. Yet it is permissible to point out some things which are absolutely indispensable if the reform is to be effectual. The late General Elections showed us that the power of a great landlord over his tenants and employés is by no means gone. Therefore, although it is true that the possession of a great landed estate does not carry with it the political influence it once did, yet it does enable a man who does not scruple to use to the utmost the advantages his wealth gives him to force people to vote against their will. To a certain class of men, therefore, the possession of a great landed estate continues to have attractions. Happily the class referred to is a restricted one, and, consequently, landed estates are not so eagerly sought after as they used to be. On the contrary, recently great landowners have offered their estates for sale in constantly increasing numbers. The desire to get rid of agricultural land is not surprising, considering the return it yields; and considering, further, that it no longer gives the social and political standing it formerly did. All this has to be taken into account when considering the smallness of the demand for land at a time when the numbers of the new rich are so exceedingly great. But making full allowance for everything of the kind, it still remains true that the conveying of land from seller to purchaser is exorbitantly costly, and, therefore, that it is one of the causes which stand in the way of free dealing in land. Therefore, if a large proportion of the population is to be transferred from the great towns to the rural districts, it is indispensably necessary that the cost of

conveying land shall be immensely reduced. A reduction of such cost, as has just been shown, would be beneficial even to the great landowners. But in this inquiry the case of the great landowners is not dealt with. What is here being considered is the best means of increasing the purchasing power of the whole population, and as the poorer classes are so immensely more numerous than the rich it is their cases that chiefly merit attention. A reduction in the cost of conveyance would be effected by a really good system of universal registration. It would render easy and comparatively cheap an investigation of titles. And the investigation of titles is one of the things which at present makes dealing in land so costly. But a more universal compulsory registration, though it would do much good, would not do all that is required. There ought to be, in addition, a restriction of the creation of charges upon land reaching to a remote future. The *Code Napoléon* goes a long way in limiting the power of bequest. It makes compulsory on the owner of property to leave the bulk of it to the members of his family. Whether such a limitation would be endured in this country it is unnecessary to waste time in inquiring. Similarly, it is unnecessary to consider whether such limitation would be beneficial. But it is obvious that a peasant proprietary such, for example, as is being founded in Ireland at present, cannot be expected to prosper fully if the investigation of titles is to involve as much time, trouble, and expense as it does now, and if, moreover, the owner of land is free to impose all sorts of charges upon it. Other reforms, of course, are highly desirable, but these appear to be absolutely imperative.

CHAPTER XIII

CONSERVATION OF NATURAL RESOURCES

NOT less indispensable than the reform of the land laws is the due care of the land itself. The total area of the United Kingdom is only 121,371 square miles, which is barely 58·6 per cent. of the area of France, and 58·1 per cent. of the area of Germany. If we were to compare it with the United States, 3·4 per cent., or still more with Russia, 1·4 per cent., its insignificance would stand out more glaringly. Yet the United Kingdom is the brain, the heart, and the arm of the greatest Empire the world has ever seen. The self-governing Dominions, Commonwealths, and Unions beyond sea are with admirable public spirit preparing adequately to take their part in the defence of the Empire, and in twenty years' time the policy upon which they are entering will render the Empire so strong that there will be little danger of aggression. In the meanwhile, however, the responsibility for its defence will have to be borne mainly by the Mother Country, and to enable her to support the burden easily and successfully it is essential that every inch of the soil should be turned to the most productive uses. As has been observed already, the bulk of the British population is now crowded in the great cities, where the vast majority are ill-housed, and ill-provided with everything that goes to constitute a healthy home. An alarming proportion, moreover, is, as the late Prime Minister observed, living on the verge of hunger, and in spite of all efforts unemployment is

grievously prevalent. Not unnaturally, therefore, the physical condition of the people is so unsatisfactory that an uncomfortable feeling prevails widely that we are actually degenerating. Therefore, all thoughtful men, irrespective of creed or party, are agreed that it is an urgent need of the time that as many as possible of the unemployed and but partially employed classes should be transferred from the overcrowded towns to the sadly depopulated rural districts. To lessen the difficulty of accomplishing this, it is obviously desirable in the highest degree that not only should no portion of the soil of the United Kingdom be lost to agriculture, but that as much as possible of what by past neglect has been lost should be recovered. Yet it is matter of common knowledge that nothing is done by Government provision to ensure this. On the contrary, small as the United Kingdom is, it is notorious that its coasts are being eaten away by the sea, and that only occasionally does the Government take steps to put a stop to the danger. A great landowner who either has become too old to take energetic measures to protect his property, or who has lived so much beyond his income that his means are no longer equal to the fulfilment of his duties, spends no money to repair the damage done by unusual tides aggravated by exceptional storms. Not only is there, in consequence, an inroad of the sea doing damage to his property, but it is very likely that neighbouring properties suffer likewise. A Londoner who has made a fortune in business buys land by the sea and lays out much money in embellishing and improving it. He takes what he is advised are adequate measures to prevent the sea from encroaching. Yet the negligence of his neighbour allows land touching his own to be swallowed up, and as a result of this *laches* all his expenditure is in danger of proving utterly unavailing. Surely this is contrary to public policy as well as to common sense.

The tenants of the neglectful landlord and neighbouring landowners ought obviously to have ready and cheap means to compel him to perform his duty, and if they fail to use those means the State itself ought to step in and protect the territory. The whole country would cry out if a foreign Power were allowed to appropriate a few miles of barren swamp in a distant territory over which England had once claimed proprietary rights. But we all look on quietly while here at home landowners shamefully neglect their duties, and allow the soil to be submerged by the sea. It is not as if the damage done by the erosion of our coasts is trifling. On the contrary, it sometimes involves the destruction of important places. On the east coast, for example, Dunwich has entirely disappeared, though it was once the seat of a bishopric, and contributed a very large quota to the naval defence of the realm. Reculver, again, was by no means an insignificant station in Roman times ; yet nothing but a mere vestige of it now remains. It is unnecessary to cite other instances. Everybody who has given any attention to the matter can add from his own knowledge many to those just given. On the other hand, the Bedford Level is proof of what can be done by the enterprise of a great proprietor.

There is no attack upon the rights of property in maintaining that the landowner who allows a portion of the nation's inheritance to be lost to the nation has forfeited his right to that land for ever, and that if the nation steps in, recovers the land from the sea at great cost, and makes it capable of sustaining a number of industrious families, the nation is not merely justified, but in duty is bound to see that it shall not be lost again, but shall thenceforward continue to be used for the benefit of the whole community. Therefore, the Government ought, in the first place, when it has completely reclaimed the land, to settle upon it a colony bound to cultivate it properly, and under the super-

vision of competent agents of the State to assist in protecting it for the future against encroachment from the sea. In that way it would be possible not only to prevent diminution of the productive area of the United Kingdom, but also to transfer a portion, whether small or great, of the surplus population of the towns to healthy situations where they would live under sanitary conditions, and contribute to the greater prosperity of the country. Where possible, the State should not confine itself to merely protecting lands upon which the sea is already encroaching or to recovering lands which have been partly submerged. It should take measures to reclaim land which has been for a long time lost. Furthermore, where landowners have not as yet suffered the sea to make serious inroads, but yet are not rich enough or united enough to take the necessary measures for mutual protection in the future, the State clearly ought to step in, and ought to recover the cost of what it lays out from all those who benefit by its outlay. In short, there ought to be a special department whose duty should be to guard against the inroads of the sea, and to charge all who benefit from its exertions with a tax sufficient to cover all the expenditure of every kind. There is need not merely for a Board whose special duty would be to protect the soil from erosion; in addition, there is required a Ministry of Agriculture.

Our administrative organisation, if organisation is not too complimentary a term, has grown up bit by bit without system and without foresight. When a want has made itself so strongly felt that it could no longer be neglected, we have either charged some existing Department with the providing for the want or we have created a new Board expressly for the purpose. But we have shown a curious dislike to survey what we are pleased to call our Administrative System as a whole, to reorganise it scientifically, and to prevent the various Departments from over-

lapping one another. It is time that we should depart from this hand-to-mouth practice, and should adopt a real organisation in harmony with modern conditions. What could be done by a Ministry of Agriculture is shown very clearly by what is being done abroad. Perhaps the best instance of all is afforded by the United States, where agriculture of every kind is being helped in a manner beyond all praise. The Board suggested for dealing with the erosion of the land ought to be a sub-Department of the Ministry of Agriculture. But there is need for much more being done than merely providing that inroads of the sea shall be stopped for the future and where possible land shall be recovered that has been submerged. How much could be done if we recognised fully that the soil of the United Kingdom is not merely the most valuable asset of its people, nor even that it is the home of its people, but that it is as essential to the existence of the nation as is the people composing that nation is seen by what has been accomplished by Holland and by the settlers along the lower course of the Mississippi. The preservation of the soil of the United Kingdom, however, will not be accomplished by simply guarding against the inroads of the sea. For example, one frequently reads after long-continued heavy rains in the mountainous parts of the United Kingdom of great damage being done, rendering families homeless and inflicting great material loss. That such floods can be altogether prevented I do not take upon myself to assert. But that the injury done could be guarded against at least to a considerable extent is not likely to be contested by any reasonable person. Again, there are considerable parts of the country which nearly every autumn and winter suffer very serious losses by the flooding of rivers which carry away live and dead stock, destroy houses, out-offices, and fences, denude the soil, and cover the fields with injurious sedimentary substances.

Lastly, a large portion of the bogs could be reclaimed. It is matter of history that a very considerable proportion of the cultivated area of Ireland at the present time consists of reclaimed bog. Under the old system the Irish landlords did not furnish their tenants with houses, farm offices, fences, and so on. Still less did they reclaim land. But in the latter part of the eighteenth century and the early part of the nineteenth the population of Ireland grew very rapidly, and the competition for land, therefore, became very keen. Consequently, the peasantry were eager to take bog land provided they were given it at a low rent and allowed to drain, manure, and generally bring it into a productive condition. The reclamation thus done was not scientific because it was done piecemeal by each family, and because, even if there had been co-operation, the poor people would not have had means properly to drain the bogs. However, there remain still much bog that could be drained, and the expense of drainage and reclamation would rapidly be compensated if every one who benefited by it was required to pay annually a sum representing both the capital and interest spent. Perhaps the state of things here sketched is more common in Ireland than elsewhere. But it does not matter where it happens within the United Kingdom. It clearly ought to be stopped. There is no reason why it should not be stopped, and if it were the duty of a Government Department to bring it to an end, the Government could raise the necessary money in any amount required and at a very cheap rate. Moreover, the Government could do what might be found requisite and could then make everybody who benefited by its operations contribute to the cost; whereas it is practically impossible to get a multitude of private owners to combine for such a purpose, and it is difficult to get even neighbouring local bodies to co-operate. In London itself, for example, the

disputes as to what local bodies were to contribute to the improvement of The Mall shows how difficult co-operation amongst such authorities is. But it ought to be the task of the Government of the United Kingdom to make sure that the soil of the country shall be in such a state that the private occupier, whether he be owner or mere tenant, shall be able to turn it to the best possible use. Again, a Ministry of Agriculture would be in a position to communicate with Ministries of Agriculture abroad, to keep, therefore, always in touch with what is being done in other countries, thereby to accumulate an immense mass of information of almost incalculable value to the practical cultivator of the soil, and by means of books, magazines, journals, lectures, and so on, it would have no difficulty in educating the agricultural classes, in bringing the information collected by it to their knowledge, and in assisting them in a thousand and one ways in the improvement of their lands. In addition, a Ministry of Agriculture ought to organise a sub-Department for the purpose of studying the special suitability of the different districts of the United Kingdom for this or that cultivation. Not only does the quality of the soil vary from locality to locality, it varies often in the same field. Temperature, also, varies wonderfully in very narrow areas. Nay, more, the very climate varies according to the conformation of the region. All this may be learned in a vague kind of way by the agriculturist peculiarly qualified for the avocation he has taken up. But it is only an exceptionally gifted man that can so learn and turn his observations to practical use. A Department, however, if its head was rightly chosen, and if he collected about him the right sort of men, would be able in a very few years to accumulate knowledge the value of which cannot be overestimated, and thereby would be in a position to assist the farmer in a way now not dreamt of by average people. Over and

above this, if the Department were to establish experimental farms for the conducting of research it would soon acquire the means of accumulating other knowledge equally valuable. Lastly, the Department could, without very much trouble or cost, assist the agricultural classes in obtaining seeds and seedlings which would be of immense assistance to them, and could also introduce new systems of cultivation when it had determined that the soil and the climate admitted of such.

Hitherto as a people we have completely neglected the conservation of our natural resources, though it ought to be a foremost duty of every enlightened Government. It is, of course, to be recollected that the Governments of old countries like our own began in times that were not enlightened, and acted in those times upon principles which now have been long outgrown, but which, nevertheless, were for many a generation regarded as of unquestionable authority. We have not only granted away to private persons and to corporations the ownership of the whole soil, but the Law Courts in interpreting the grants have laid it down that they cover not only the soil itself, but everything under it and everything over it; so that a grant of land from the Crown in the Middle Ages is now interpreted to mean that it carries with it a grant of all the minerals of every kind under it, of the fish in the waters that run over it, as well as of the wild creatures that may be found upon it, and even of the birds flying over it. Furthermore, we have given to joint-stock companies the right to construct railways, to light towns, to supply them with water, to provide them with tramways, and so on. The result is most disastrous. For a whole generation Parliament has admitted time after time that one of the most pressing needs is wholesome houses for the poor. But the land on which the towns are built as well as that surrounding them belongs to private

owners, and they naturally ask for their land prohibitive, or almost prohibitive, prices. It is not their business to take care either of the health, or of the morals, or of the efficiency of the people. Their first duty, at all events, as they themselves understand it, is to make the best provision they can for themselves and their families. Again, we have obstinately refused to supply our people with either light or water, and we have delegated the duty to trading companies. The trading companies have naturally looked upon the matter as a trading question, and they have exacted the charges allowed them by the State. There do not remain, then, very many natural resources to be conserved. But for that very reason the greatest possible care ought to be taken in the case of those which still remain to us.

Now it is plain to any one who will take the trouble to inquire into the matter that some of the greatest of our towns, and more particularly London, are exceedingly ill-supplied with water. Water is as necessary as food itself. Yet there are few hot summers in which there are not loud complaints of a dearth approaching to a water famine in the East End of London; while it is notorious that the quality of the water is not what it ought to be. It is drawn mainly from the Thames, which is densely peopled at either side for most of the way from Reading, and, therefore, is defiled by all the impurities flowing into it. In addition, it is drawn to some extent from local sources, such as the New River, which are still more liable to defilement. But if the condition of things already is so bad, what will it be in a few years hence? Since the introduction of railways London has grown at a rate that could not have been foreseen. And it is likely to grow at an equal rate for a considerable time to come, if nothing happens to stop its growth. The water supply, therefore, will become before long utterly insufficient,

and, it is to be feared, grossly impure, whatever care may be taken to maintain its purity. If a great disaster, therefore, is to be averted, it is absolutely necessary that a supply drawn from a much greater distance and protected with the greatest care from impurities should be provided without delay. There are, of course, many other towns in which the water supply is not what it ought to be. But London is the greatest of all our towns, and the inadequacy in its case is most glaring. A Water Board has been created for London. The old companies have been bought out, and the law at last admits that the question is a public one. But there is a wide difference between establishing a Water Board and providing London with a supply of water adequate, not merely for the present moment, but for the future, and pure in addition. For a proper supply London will have to look to Wales or some other mountainous district at least as distant, and the cost will be heavy. But cost in this matter ought not to be allowed to stand in the way of what is absolutely necessary for health and efficiency. Of course the cost ought to be kept down to the proper limit. But the necessary cost must be faced. There will be need for careful legislation not only to obtain the water but also to obtain the land over which it is to be carried great distances. And the legislation ought to be the work of the Government. It ought, moreover, to be legislation once for all. It should take cognisance, not only of London, but of all other towns which now want, or in the early future are likely to want, a better supply, and therefore, whatever Bill is introduced should be a general Bill, and should be based upon broad principles of policy. Public safety is the highest of all interests, to which everything else must yield in the last resort. Indeed, most of the legislation in regard to the trading companies which supply railway accommodation, light, water, heat, and so on, is

based upon the principle that private interests must give way to the public safety. And it is quite clear that an adequate supply of pure water at all periods of the year is essential to the public safety. It is alleged, indeed, that it is found from the experience of some of the great towns which have provided themselves with water from the mountainous districts that the water supposed to be most pure is not as good as had been expected. Nay, more, it is often alleged that it is the cause of certain diseases. The allegations are not supported by sufficient evidence. Still, they ought to be very carefully inquired into. It is certain that if the prosperity of this country continues to grow at its present rate the population will reach surprisingly high figures before a very long time has passed. Furthermore, whatsoever may be done to transfer a portion of the surplus population of the towns to the rural districts, it is as certain as anything in the future can be that the bulk of the growth will be in the towns. Therefore, the provision of ample supplies of pure water will be required almost exclusively by the towns, and the supply will have to be brought from very considerable distances.

Before any definite plan is adopted, full inquiry should be instituted as to whether the water drawn from mountains, and, therefore, promising to be ample for the future, is as pure as hitherto it has always been assumed to be. Perhaps it would be more correct to say instead of "pure" in the last sentence as "well fitted for human consumption" as hitherto it has been assumed to be. The allegation is not so much that the water contains impurities which are detrimental to health as that it does not contain certain salts which are requisite to make it properly adapted for human consumption. The allegation probably is founded on entirely inadequate evidence. But if there is any ground at all for the belief that water from the hills brought a

considerable distance does contribute in any way towards the generation of disease, or the making of disease more virulent, then there should be no delay in instituting the most searching inquiries. It is difficult, indeed, to believe that water such as is found in the highest hills in the United Kingdom is in any way detrimental to health, but in a matter of this kind mere persistence in a traditional belief should not be opposed to the suspicions entertained. The right course is to institute the proper inquiries. And if it is found that the water really is good, as probably it will be found, then the necessary measures should be taken to ensure that all the large towns, with London at their head, shall be provided with adequate supplies. If the United Kingdom is to fulfil its functions as not only the governing portion of the Empire, but also that portion which for an indefinite time to come will have mainly to provide for the defence of the Empire, then it is indispensable that the population should be enabled to grow so that it shall be as nearly adequate for its duties as human foresight can provide. For this purpose, the increasing population needs to be supplied, in the first place, with adequate food at as cheap rates as can be assured; and that is done by the maintenance of Free Trade. Secondly, the augmenting population needs to be provided with an adequate supply of pure water, and that cannot be done except the water is drawn from pure sources and is not contaminated while it is being conveyed from the sources to the places of consumption, which can only be done by careful legislation, and by the supervision of competent experts. When the water is brought to the towns it ought to be a punishable offence not to equip every house with water, so that a family or families will not have to go out to the streets, possibly even to distant streets, to provide themselves with what they require, and every house ought also to be provided with all the necessary

sanitary arrangements. At present builders seem to follow their own sweet wills when erecting houses for the poor. In a great many districts water is not laid on to the houses. Even where it is no means of storage are frequently supplied. And, lastly, the sanitary arrangements are abominable. All this ought to be put a stop to. Every house should be constructed in a scientific manner, and the failure to do so should be punished severely. That, however, is only by the way. The subject under discussion in the present chapter is the conservation of the natural resources of the country, and it is the duty of Parliament to see that in every respect those natural resources are conserved and applied to the benefit of the whole community! The waters in the mountainous districts of Great Britain are amongst the most valuable of our natural resources, and no doubt should be allowed to subsist that they are the property of the whole community. The duty of the State in this matter, however, will not be completely performed when it makes clear that it is intent upon conserving the natural resources of the country. It will find that more than one town will compete for the water supply of certain districts, and it ought to be the business of the State to adjudicate between them. There should be no favour shown. Every part of the country should have its fair share; but no part should be allowed more than its adequate supply.

CHAPTER XIV

FACILITIES OF COMMUNICATION

FOR a population, whether agricultural, commercial, industrial, or maritime, or all four, there are few things more indispensable than good communications. Both Prussia and Japan early recognised this. Prussia, indeed, saw that it was first necessary to deal with the land system. But she very early turned her attention to good communications. At the present time the Prussian Government is the owner of by far the larger part of the railway system of the Prussian kingdom. Japan, also, is busily engaged in opening up her territory. Our people have, likewise, from the first understood the importance of good communications. Indeed, they led the way in railway building. But owing to their preference for private enterprise over governmental, their experience has not been so happy as those of Prussia and Japan. The population of England, Wales, and Lowland Scotland is roughly about the same as that of France. From the point of view from which the matter is here being regarded it is not less important to note that far the larger part of it is massed in great towns. In Greater London alone there is a population about as numerous as that of Belgium. And the population of large parts of Lancashire and Yorkshire is nearly as dense as that of Greater London. The whole of these vast populations are dependent for their food and nearly everything else they require either upon the agricultural districts of the United Kingdom

or upon countries beyond sea. Therefore, it is of the very highest importance that they should have a railway service that will not only be punctual, but will be as cheap, as safe, and as well-regulated as is practicable.

A very small over-charge on everything the town populations consume means a very considerable reduction in the purchasing power of those populations. If, for example, the carriage of food is over-charged, and the carriage of clothing also, the result to the working family becomes serious. The family is able to buy less of other things. But if all the poorer families in the towns of the United Kingdom are able to buy less of other things because of the rise in the cost of carriage of certain articles of consumption, the effect upon the producing classes is proportionately great. In other words, the demand of the poorer classes for all those other articles is reduced, and producers, in consequence, are left with a large amount of unsaleable goods on their hands. In its turn that reacts upon the working classes, for a falling off in the demand for large classes of goods necessarily causes a decrease in production, and, consequently, a discharge of workpeople, finally ending in an increase of unemployment. Therefore, over-charge on the part of railways is doubly injurious; directly it injures the town consumers; through them it injures the producers. On the other hand, it is obvious that if the railway service is conducted in the interest of the public, if it charges no more than returns a fair payment for work done with a reasonable profit, it enables the working classes to make their wages go as far as the existing economic system permits them to go. It adds, therefore, to the purchasing power of the whole community. In consequence, it stimulates production everywhere, and through the stimulus given to production it increases the purchasing power of all who are themselves employed by the pro-

ducers. Thus the benefit goes on accumulating as it passes from class to class. It is hardly necessary to point out that dear, unpunctual, and inadequate railway service equally injures the agricultural population. It does so, firstly, by increasing the cost to it of everything it purchases from the towns; and it does so, secondly, by hampering the delivery of what it has to sell to the towns, thereby diminishing the purchasing power of the towns. It will be seen that the railways of a community have it in their power to render an inestimable service to that community, whereas if they fail in that respect they injure incalculably the whole community. Students of economic history find convincing evidence on every side of the immense influence exercised upon the prosperity of the world by the nature of its communications, but the most striking proof is afforded by the experience of the last three-quarters of a century. From the close of the Middle Ages to the end of the great revolutionary wars invention followed invention so rapidly that there was an extraordinary change effected in the condition of Europe. More particularly England felt the influence because of the strength of her central Government, and because of her immunity from invasion. At the beginning of the eighteenth century she was still an agricultural country, and she continued such until practically the end of George the Second's reign. By the end of the century, however—that is, in the course of only forty years—she had become a great manufacturing, maritime, and carrying country. With the return of peace in 1815 there was a great outburst of commercial activity, which, it will be recollected, resulted in a crisis. No doubt the crisis and the depression which followed were exaggerated by the exorbitant cost and exhaustion of the war. But the main cause of the misery of the country undoubtedly was the want of adequate communications. So generally and so keenly

was that want felt that during the second half of the eighteenth century great attention was given to improving communications. Road-building was carried on upon an unexampled scale. Stage coaches were started in every direction. Canals were constructed all over the country. Yet trade languished because the producing power so immensely exceeded the consuming power. Consequently, much of the ingenuity of the world was expended in trying to reach new markets. The introduction of the railway solved the problem and gave rise to that extraordinary outburst of enterprise which has transformed the face of the earth. Never, perhaps, was there a more complete or more ingenious system of Protection created than existed in this country from 1815 to 1841. And yet never, perhaps, was the country so miserable. The result was seen in the disturbed state of the country which showed itself in all kinds of disorders, especially in the burning of corn ricks, the frequent employment of yeomanry and regular troops to put down rioting, and the coercive system established. No doubt many causes combined to bring about this state of things. The old Poor Law system was so bad that very shortly afterwards it had to be reformed; the heavy taxation occasioned by the great wars, the exhaustion of the country, the extreme protection, and the high prices it induced, all combined to bring about the result. But all these were accentuated by the want of good communications. The reform of the Poor Laws owing to that want for a time led to very little improvement, and two great agitations sprang up, one for the repeal of the Corn Laws, the other for what was called the Charter. In short, the history of those years proves as conclusively as anything can the utter delusiveness of high Protection. Sir Robert Peel came into office, repealed the Corn Laws, and abolished an immense number of other duties. Every-

body knows the wonderful outburst of trade prosperity that followed. It would be altogether untrue to say that the fortunate result was due solely, or even mainly, to the adoption of Free Trade. Free Trade undoubtedly did play an important part, inasmuch as it opened our ports to the productions of all the world, thereby brought within the reach of the multitude previously shut out from such advantages the productions of other countries, and by so doing excited the emulation of other countries to produce for the British market. But the real cause of the great outburst of prosperity was the railway itself, which brought new markets not only here at home, but all the world over, within the reach of the producer, and made it possible to transfer very large numbers of the surplus population of Europe to the newer countries of America and the Southern Pacific.

Any reader who honestly desires to arrive at the truth in these matters and still is in doubt should study the economic history of Europe and America since the beginning of last century, or, rather, since the accession of George III. The ordinary histories are so engrossed with wars, Court intrigues, Parliamentary debates and cabals, and so on, that they have little time and less understanding for the really important things. But if the reader enlarges his view and takes in the economic history with the political and literary, he will get an entirely new idea of the real causes of both political and economic events. He will satisfy himself that the misery of the later eighteenth and the earlier nineteenth centuries was due mainly to the land laws, the protective system, and perhaps even in a greater degree to the inadequate means of communication, and that the extraordinary outburst of enterprise since 1846 has been pre-eminently the result of the railway, the steamship, and the telegraph. This country led the way in railway construction,

and it provided capital for a great many other countries to build railways. But, partly because it was the first in the field, it committed grave mistakes, from which it is now suffering. It is not necessary here to enter into a discussion as to the relative merits of railway construction by private enterprise and by the State. But it may safely be said that, whether in the thirties and forties of last century Parliament was or was not right in preferring private enterprise, it is certain that it made a grave mistake in not reserving to itself greater powers of supervision and in trusting almost exclusively for the protection of the public interest to mere competition. Any one who studies the reports upon railway working in this country, not as a party man or an investor in railway securities, or with any other preconceived bias, but with the honest desire to arrive at the truth, will very soon convince himself that both Great Britain and Ireland are at present suffering severely because of the unsatisfactory management of our railways.

If the inquirer turns from all the evidence afforded here at home to the study of the railway systems of Prussia and Belgium, he will be still more convinced of what has just been said. He will find that the Prussian railway system, for example, is worked very largely in the interest of trade. Of course, like our own Post Office, it has to pay its way, and it yields a considerable income. But care is taken that the commercial community shall have access at all times to the administration, shall give it advice both as to where greater facilities are required and as to the charges to be imposed; in fact, there is an unbroken exchange of views between the administration and the commercial community. The same thing is true of Belgium. Nay, more, the Belgian railway administration is so anxious to promote trade that it sacrifices profits in its pursuit of that object. In short, the main idea

underlying the whole system, both in Prussia and in Belgium, is that as the railways belong to the whole population in its corporate capacity, they shall be worked always and everywhere for the ultimate benefit of that whole community. Such an idea is entirely absent from our system. We, to begin with, took no steps to ensure that the railway companies should not have to pay too dearly for the lands they required. On the contrary, we made it possible for landowners and occupiers to exact exorbitant prices, leaving the railway companies to recoup themselves as best they could out of their customers. In the second place, we assumed that the interest of the public would be best safeguarded, not by the watchfulness of the State, nor by periodical inquiries, but by the competition of railway with railway. So far is this notion carried that Parliament is jealous of all arrangements between companies for the purpose of avoiding the running of unnecessary trains and of suppressing double or treble services.

The defects of our railway system are a serious bar to the full development of trade with us, and add greatly to the poverty of the poorest classes. Our system is bad throughout the whole United Kingdom. But it is pre-eminently bad in Ireland. Ireland is by far the poorest part of the United Kingdom, and by a perverse fate she is condemned to suffer from the worst railway system as well as the worst educational system in the whole United Kingdom. Without going fully into the subject, it may be well to remind the reader that, exclusive of the light railways, the total railway mileage of Ireland is only 3363 miles, while the railway mileage of Great Britain is 23,205 miles. Yet there are no fewer than 16 separate railway administrations in Ireland, each with its own staff. Is it not contrary to common sense and ruinously costly to a very poor country to keep up so many separate boards of

directors and separate staffs to manage quite petty systems? Clearly the true policy for Ireland is to buy up the whole of the Irish railways. It would not cost very much, and if a really capable Government official was appointed to control the whole system he would soon be able to reduce rates and fares very materially, and yet to increase the profits. The result to Ireland would be a great impetus given to trade. It is to be recollected that Ireland is mainly an agricultural country; that the traffic, therefore, consists of bulky but not very valuable articles, and that to make it profitable to move it extensively the rates charged ought to be very low. A really good railway system, such as exists both in Belgium and in Prussia, would stimulate industry in Ireland immensely, and in the course of a comparatively short time would greatly increase its prosperity. If the canals of Ireland were also properly managed they would add to the benefit conferred upon the country. If the State took over both the canals and the railways there would be no jealousy by the one of the other. All would be worked by a single management with a single eye to the benefit of the country. And if the taking over of railways and canals were supplemented by the starting of an adequate sea service which would enable Irish produce to be delivered cheaply and quickly in the great towns of England and Scotland, there would result a double benefit: the industry of Ireland would be stimulated and the supply of the English market would be greatly increased. Both Ireland and Great Britain would thus benefit. Bearing in mind what railway construction has done throughout Europe, America, Australasia, and India, it is not too much to say that a really good service of communications such as has just been suggested would give an extraordinary stimulus to industry in Ireland.

Regarding Great Britain, public opinion is perhaps not yet prepared for the Government ownership of the railways.

But clearly a great deal can be done, and ought to be done, to improve our railway service. In the first place, the railways ought to be compelled to collect the statistics which would enable them to find out what classes of traffic pay and what do not, and, therefore, would put them in a position to manage their properties on business principles. Secondly, there ought to be some technical commission, permanent by preference, which would have the power to inquire where amalgamation would be for the public benefit and where it would not ; and also where, if amalgamation is objectionable, traffic agreements of one kind or another are desirable, and so on. In short, there should be some disinterested tribunal, technically competent, to see that the railway service of the country should be discharged at the lowest possible cost to the community consistently with the reasonable prosperity of the railway companies. There ought to be either amalgamation pure and simple, or traffic agreements of some kind or other, between many of the companies. Furthermore, either the State ought to take over the canals, or it should compel the railway companies to make the most use possible of them. It should put a stop to the present system, in which it is to the interest of the railway companies to starve the canals. At the present time, when foreign competition is becoming so fierce, it is a crime against the public interest to allow any national resource to be frittered away. Everything that can add to the ability of this country to hold its own ought to be developed to the utmost. In the case of England and Scotland there is no need for the Government to deal with the sea communications. Ireland is so backward economically that the need there does exist. But England and Scotland do not need State intervention. The need of State intervention, however, is extremely great in regard both to the railways and the canals. If our railways

were managed as the railways of Prussia and Belgium are managed, with the first thought for the public interest, they would be capable of giving a stimulus to the trade of the country which now nobody would believe. The keenness of foreign competition in the home market is not due altogether to Free Trade ; probably is not even chiefly due to Free Trade. The railway companies notoriously carry imported goods much more cheaply than home-produced goods, and they plead as their excuse that they would not get the traffic at all if they did not do so. From the point of view of the railway companies the excuse is adequate on one condition. The railway companies are private trading concerns and are managed for the express purpose of earning profits. Therefore, the excuse is adequate on the assumption that the plea of the railway companies is true and that the traffic obtained on the conditions on which it is obtained is profitable. But there is no evidence that either of those conditions is fulfilled. There is a strong agitation which has even forced the attention of the Government to induce the railways to collect statistics which would enable them to judge what kind of traffic pays and what does not, whether rates and fares in every case are profitable to the railways and fair to the community, and so on. Yet, strange to say, the directors and the managers fight against this agitation and maintain that the present system is all that is required. In short, they argue that to remain ignorant with regard to their own business is better than to fully inform themselves regarding that business. That being so, the reasonable assumption is that the railway companies are as ignorant respecting the foreign goods carried as they are regarding the whole of their business ; in other words, that they do not know whether the present system of carrying imported goods is profitable or not. There being so much general ignorance on the subject it seems clear

that there ought to be an inquiry into the matter. It ought to be shown to the satisfaction of all impartial and competent persons that the present system is good. If it cannot be shown that it is, then there ought to be a material change. In everything the interest of the public should be the first consideration. It is to the interest of the community clearly that all foreign goods required should be obtained as cheaply as possible. It is also equally to the interest of the public that the whole of the country's communications, whether within the United Kingdom or with oversea populations, should be conducted in the interest of the whole community. If on these grounds a change were to be made the railway companies no doubt would plead that they ought to get compensation. Clearly they ought to get compensation if a right they now possess is taken away from them in the public interest, and if they can show that that right is profitable to them. But it has just been pointed out that the railway companies do not collect statistics which would enable them to judge what pays and what does not. Consequently, if they were to raise a claim for compensation it would be absolutely necessary to insist upon evidence being produced to show that the traffic really does pay. It is unnecessary, however, to elaborate the point. Every one will agree that if a right which the railway companies now possess is profitable and is taken away from them they ought to be compensated; while everybody will equally agree that if the right they now possess is not profitable, and still more if it causes them actual loss, they have no just claim for compensation. On the contrary, if the traffic is actually unprofitable they are benefited by the withdrawal of the right. This point cannot be too strongly urged, for as the whole experience of the world shows, railways can contribute most powerfully to the progress and prosperity of a people. Consequently, it is of the

highest importance that our railway companies should be managed so as to give with reasonable profit to themselves the cheapest, quickest, and most easily accessible service that is practicable. Our railways were built before those of the rest of the world. Therefore, in the beginning they were without experience, and it is to be feared that they have not benefited as they ought to have done from the experience of other countries. Consequently, it is most desirable that there should be a careful inquiry into the whole system of the working of our railways. Over and above this, there ought to be provided for all railway officials efficient technical training. Probably if the railways were taken over by the State it would establish technical training. Otherwise, State management would not be likely to be good. But whether the railways are or are not taken over by the State there ought to be technical training. It would cost something, no doubt, but it would be economic in the end. For it is really to the interest of railway shareholders to make their systems efficient just as it is to their customers'. But it is impossible to expect that the railway service will be really efficient if the directors and managers go on trusting to mere rule-of-thumb working. It is essential, then, in the true interest of the State that special railway training should be provided. If a proper system of training of railway officials was provided, and if it was insisted upon that full statistics should be collected, tabulated, and studied of the working of the system so that any competent student would be able to see what traffic paid and what did not, the railways would be able to render to the country a service the value of which it would be difficult to exaggerate. It may safely be assumed that it would be possible to work the railways much more cheaply than they are worked at present. That would enable charges to be reduced and that in turn would put it in the power of producers to send their goods

to market much more cheaply than at present. Thus a stimulus would be given to production all over the country. On the other hand, the cheapening of consumable goods would benefit the consumer and by so doing would increase his purchasing power. It may be hoped that the new Road Board which the present Government has happily called into existence will prove of great value both to the consumer and to the producer. At the present time the roads do not contribute to the general prosperity as much as they ought to do. Under the new system it is reasonably to be expected that the common roads will be made feeders of the railways to a much larger extent than ever hitherto, and also that motors will be used to enable farmers and others to send their goods to market directly by road more cheaply than in the past. Furthermore, it is in the highest degree desirable that an effort should be made to induce farmers, market gardeners, and so on to enter into a scheme of co-operative working. If such scheme were to succeed it would make it possible to send goods by railway or by motor much more cheaply than now, simply because there would be an assurance that the motor or the railway truck would be properly filled. As said so often, such cheapening of carriage would be beneficial both to the producer and to the consumer, and therefore would in a double way increase the purchasing power of the community. In Prussia, as already said, the Government owns far the greater part of the railways, and is gradually buying up those that are still independent of it. And to enable it to work those railways for the benefit of the community it has taken care to bring the management into close and constant communication with traders. It has called into existence associations of traders of all kinds. And it is the business of these associations to urge upon the Administration, which is under the immediate control of the Minister of Commerce, the needs of trade, where branches ought to

be constructed, how rates and fares ought to be re-modelled, and so on. The Ministry and its agents take care that the views of the commercial community are seriously considered with a view to meet them as far as circumstances permit. In Ireland, where clearly the railways ought to be bought up by the State, there will, if such purchase takes place, be no difficulty in following the example set by Prussia and arranging so that the commercial community shall have a voice in the general management of the railways. In Great Britain if the railways are not bought it will not be so easy to carry out the idea. But it will be possible to modify the idea in such a manner that the railway companies will be bound to receive all communications which the traders wish to address to them and to take them into their most serious consideration. Until this is done the management of the railways will not be what it clearly ought to be.

CHAPTER XV

BANKING FACILITIES FOR THE FARMER AND SMALL TRADER

ADDRESSING the shareholders of the Bank of France at the half-yearly meeting on January 27, 1910, the Governor, M. Georges Pallain, reminded them that in the original concession founding the Bank it was instructed to work specially in the interest of the small trader, and he went on to say that the Bank had faithfully fulfilled the mission thus confided to it. The Governor of the Bank is fully justified in the statement, for, indeed, no bank in the world has ever more consistently and earnestly studied the interests of the small agriculturist and the small trader. France, it is to be recollected, is a country of peasant proprietors, and the success of the peasant proprietors of France is largely due to the policy so steadfastly pursued by the Bank of France. That the peasant proprietary system has been a great success in France in spite of the competition of the newer countries, and the special trials to which France has been subjected, is proved by the fact that France is one of the richest countries in the world. Our own Government, with the unanimous approval of all parties, is at last creating a peasant proprietary in Ireland. We are, in fact, using the credit of the United Kingdom to transfer the ownership of the soil from the landlords to the occupying tenants. It hardly needs to be argued that the new proprietors will require systematic financial assistance ; and, if they cannot

obtain it, that it will be difficult for them to succeed. But from every point of view it is of the highest moment to the Empire that the measure should succeed. Sir Horace Plunket is endeavouring, as far as a public man not holding an official position and not disposing of vast wealth can do, to make up for the want of special banking facilities for the farming classes. But it is manifest that special banking facilities can be fully established only by the Government. It is true, of course, that the existing banks do cater for the farming classes. Indeed, Ireland being an almost exclusively agricultural country, if the ordinary banks did not cater for the farmers they might as well close their doors. But the ordinary banks are not constituted in a manner to supply what is specially requisite for a peasant proprietary. Over and above this, we are making a beginning in Great Britain in establishing small landowners ; and as all parties are agreed that it is in the highest degree desirable that as many as possible of the people crowded in the towns should be resettled upon the land, it is reasonable to expect that a great land measure for Great Britain will be carried through in the not distant future. Moreover, in the towns the small traders are very numerous and play an important part in the lives of the poorer classes. For both reasons it is eminently to be wished that special banking facilities should be established in Great Britain likewise for the small trader. The Lancashire and Yorkshire Bank, the Wilts and Dorset Bank, and the Union Bank of Manchester, much to their credit, have laid themselves out to cater for the small trader. A few banks, however, cannot fill up the void. There are, likewise, co-operative banks doing an excellent work. But, however useful they are, they cannot supply the wants of the small trader throughout the country. There is room for such work as the three banks just named are doing, and also for that of the co-operative banks. But in addition to

these there is need for a system of banks catering specially for the small trader. In Germany and in Italy people's banks are numerous, and are rendering incalculable service to the poor. Here at home something is being done in the same direction. But the movement has not been, so far, anything like so successful in England as it has been in Ireland. Any one who keeps his eyes and ears open as he walks through the streets of any great town, say London, and especially through the busy streets where small dealers with barrows line the pavements for a considerable distance, must be struck by the amount of trade that is thus done, and must often ask himself, How do these small traders obtain the credit which enables them not only to carry on their business year after year but sometimes to rise out of it to comparative wealth? Everybody knows that credit is the breath of life to business; so much so, indeed, that in progressive countries like our own a Bank Holiday ensures the closing for the day of all places of business of every kind. Yet here in England, which is the birthplace of modern banking, and where the importance of credit is fully recognised, all these small traders have no proper means of getting the accommodation which would enable them not only to live in comfort themselves, but to procure for their customers better articles, possibly at lower prices.

The Bank of France has shown that giving banking facilities to the poor is profitable. The Bank of France has a capital of £7,300,000. On this great capital it paid for the year 1909 a dividend of 14 per cent. and it distributed a like percentage for the following year. It may be added that the total number of bills discounted during the year 1909 was 7,507,528. Of this total, about half—3,661,826—were of the value of £4 and under. For 1910 there was a further increase in the discount of very small bills. Clearly, then, the business can be made to pay

well. Therefore, it is reasonable to anticipate that other banks will follow the example set by those just mentioned. But what is particularly wanted is banks like those of Ireland, Germany, and Italy. These would deal directly with their own shareholders, and the joint-stock banks inclined to assist them would deal with them. By lending to them friendly banks would find it profitable, for it would seem to be easier for a joint-stock bank of importance to deal with a people's bank than with very small individual customers. Working men have organised for themselves building societies, benefit societies, trade unions, and so on. They have shown in the management of these various societies practical ability. There is no reason to doubt, therefore, that they would be able to manage such banks as are here being suggested if the opportunity were given them. It may be asked, Why, then, have not working men started for themselves banks that would suit them, as the middle classes started the banks with which we are all familiar? The answer is simple enough. The modern English bank grew out of the institutions established by the goldsmiths. Private banks, in other words, preceded joint-stock banks and chartered banks. The goldsmiths and the private bankers had wealth which ensured them credit with the public, and, therefore, attracted deposits and made the public of their neighbourhood willing to accept their notes. Unfortunately, the wealth of the working classes consists of their ability to work. It consists, in other words, of their own qualities. But those qualities cannot be pledged. It is, of course, possible that the trade unions, if they combined, could establish workmen's banks. But up to the present they have not done so. It would seem, therefore, that the Government ought to give some kind of assistance towards the formation of banks which would accommodate the very small traders throughout the United Kingdom.

It is objected that the Bank of France has been able to give the great assistance which it affords to the peasant proprietor and the small trader in France, because the poorer classes in France are more methodical and more businesslike than the same classes in this country. Frenchmen of the poorer classes are careful in keeping books. Consequently, it is possible for the Bank of France to deal with them, to get an insight into their business, to learn, in short, whether they are prospering or the reverse in their business. But in England, it is pointed out, book-keeping is neglected very generally. Even traders in a comparatively large way of business are by no means good in book-keeping. Often it is proved in bankruptcy cases that people who do a comparatively large business do not keep their books properly—sometimes do not keep them at all. And amongst the very small traders books are kept in such a slovenly way that they show little as to the real character of the business. As a result of this, it is argued, a banker cannot easily find out whether a small trader or a small peasant farmer is doing well or ill, and consequently the banks have neglected these small people. There is unquestionably much truth, as well as much force, in the argument. Book-keeping has been entirely too much neglected in this country. In the better classes of schools it has been looked upon as not constituting any part of a liberal education, and therefore has been excluded from the curricula. As a consequence, it has been left to what used to be called commercial schools, and even in them it has been taught by no means in an efficient way. There has, therefore, been very little opportunity hitherto for the ordinary boy to get any knowledge of book-keeping. So much has this been the case that the belief grew up that book-keeping could not be taught properly except in the office. And in support of the belief it used to be contended that scarcely two

offices kept their books in the same way ; and that, as a result, when a book-keeping clerk changed from office to office he had generally to discard much of what he had learnt in the first. All that simply means that since the great schools and the two older universities have been diverted from their original purposes and converted into institutions for the formation of a class intended to be the governing class and to monopolise all the important offices of influence and profit they have ceased to be educational institutions in the proper sense of the phrase, and have been turned into forcing houses for the turning out of a peculiar kind of young men, and that because they have settled the training for the rich their influence has distorted and denaturalised the teaching in all other educational establishments. Consequently, book-keeping has come to be considered an inferior thing which a classical scholar could not be expected to bother his head with. But it surely is an abuse of argument to ask us to believe, because the teaching of book-keeping has been neglected in the past, because from the better classes of schools it has been excluded altogether, and because even where it has been professed to be taught it has been taught very badly, that, therefore, it cannot be taught at all. Is it not clear, on the contrary, that if Frenchmen are more methodical than our people and can, even the poorest of them, keep their books in a way that satisfies the Bank of France it is possible for English people to learn at least as much ? But it is not necessary to rest the case solely upon the example of France. The whole history of civilisation proves that communities can be taught to change their methods in all departments of life. After all, what is civilisation but the displacement of false, or at all events imperfect ideas, and the substitution for them of new and more correct ways of looking upon the world and upon life, and, accompanying this, a change in the habits,

customs, usages, and practices of mankind? If that be so, if the whole history of civilisation testifies that from the beginning of the world mankind has been changing its outlook upon the world and its methods of acting, where is the difficulty in believing that the British people, like their French neighbours, even the humblest of them, can be taught to appreciate the value of banking accommodation, and to avail themselves of it eagerly when it is provided? The fact that the small trader and the farmer in this country are not strong in book-keeping is one reason, no doubt, why banking facilities for the small man do not exist, and also why agriculture has suffered so much under the competition of foreign countries since Free Trade was adopted. Apart even from the banking question, it is highly desirable that British farmers should keep their books properly. The farmer is not only dependent upon the weather for success, he is also dependent upon the judgment with which he turns to account the land he occupies. He ought, if he is to take full advantage of all his opportunities, to know every variety of the soil out of which it is his business to make a living. Furthermore, he ought to ascertain by every means within his power what mode of farming is specially suited to each particular kind of soil. In a rough sort of way the man with a vocation for farming does judge. But he cannot have the full knowledge that is requisite to enable him to meet successfully the keen competition to which he is exposed unless he keeps his books very carefully and in clear detail. If he does that, and notes season after season the result of his various experiments, he must be unfortunate indeed if he is not able to hold his own. Similarly, he ought to keep accurate accounts of his cattle farming—his dairying, his feeding, his breeding, and so on. It is hardly necessary to repeat that it is literally impossible for him to do this in the proper way without keeping books

fully and accurately. Nowhere is the badness of our educational system more observable than in regard to book-keeping. It is treated as a matter too low for the school-teacher to bother with, and, consequently, boys leave school not only entirely ignorant of it, but filled with a contempt for it. This ought to be altered without delay. As already said, it is objected, of course, that book-keeping can only be taught in the office, but that simply means that the teachers themselves are so badly trained that they are incapable of teaching it. A few years ago all kinds of technical teaching were equally scoffed at. Now the scoffing has ceased, and as for the argument that the French love of order and regularity finds no inconvenience in a system of exact book-keeping, while in this country book-keeping is of the rough-and-ready sort, we would only reply that as the German, who not so long ago was popularly regarded as a sentimentalist, has been converted into a hard plodder, capable of the most minute painstaking, and as the Japanese samurai have been changed into the spectacled, notebook-in-hand officers, who let slip no opportunity for acquiring information, so the Englishman can be taught the advantages of order and regularity. And when he is so taught there will be no difficulty in working a good system of banking for the small man of every kind.

CHAPTER XVI

DESTITUTION

UNEMPLOYMENT, the depopulation of the rural districts, the overcrowding of the poorer parts of the towns, and pauperism, as has already been shown, had their origin in the great revolution caused by the breakdown of the feudal system and the sweeping away of the monasteries. Multitudes of people of both sexes and of all ages were turned out of their homes and roamed over the country, terrifying the timid, and filling the minds of the authorities with apprehension, so much so, indeed, that the Statute Book was crowded with Acts of Parliament of the most ruthless character directed against them. These Statutes continued to be enacted to the end of the Tudor time. But in the reign of Elizabeth the condition of things became so serious that, as a precaution against revolution, the first Poor Law was enacted. The Poor Law system undoubtedly lessened the evil from the point of view of those who look upon the maintenance of order as the first, if not, indeed, the sole, duty of Government. But from the standpoint of those who regard the welfare of the people at large to be the highest duty of Government, it woefully aggravated the disease it was meant to cure. For there arose generations of hereditary paupers who lived upon the industrious, and even when they submitted to work seldom were efficient. Moreover, many of them were criminals who brought into existence a criminal class. Furthermore, in another way the Poor Law

aggravated the original evil, for it gave rise to the Law of Settlement, and the Law of Settlement discouraged the building of cottages—often, indeed, prompted the pulling down of cottages, to prevent labourers when growing old from coming upon the parish—thus adding to the depopulation of the rural districts, already so injuriously affecting the welfare of the poor. The rise of the factory system and the consequent growth of the towns further attracted people from the rural districts to the towns, and thus increased the depopulation of the country and the overcrowding of the towns. In Scotland, the break-up of the clan system in the eighteenth century not only caused large numbers of Highlanders to emigrate, particularly to Canada, but also it cleared the greater part of the Highlands of population and added to the overcrowding in the towns. No doubt, the growth of wealth which followed the deposition of the Stuarts and the union with England helped to attract the very poor from the land to the towns in Scotland as it had done in England. But the break-up of the clan system contributed far more powerfully. In former times the clans could be called out by their chiefs as in the feudal times the great nobles were able to call out their retainers in England and in Southern Scotland. But after 1745 that became impossible. Therefore, from a political point of view there was no advantage in having an estate crowded with clansmen. Furthermore, the rise of the manufacturing system in England created a great demand for labour in England and Southern Scotland which naturally attracted people from the land. Lastly, the chiefs found, or imagined they found, that it was more profitable to clear the clan lands and replace the clansmen by either sheep or deer than to continue the old system. In Ireland, the break-up of the clan system during the sixteenth and seventeenth centuries, and the confiscation

of the clan lands, practically reduced the vast majority of the native Irish to destitution, and handed over the land and everything that was valuable in the country to English and Scotch settlers. The Penal Laws intensified the consequences of the confiscation of the clan lands, and when the Penal Laws could no longer be retained and Catholic Emancipation was carried, there was inserted a clause disqualifying the forty-shilling freeholders, which led to clearances in Ireland and to the bitter land war which raged incessantly from that time until happily it was put an end to by the Land Act of 1903. It will be seen what an incalculable influence the land system of England has had upon the condition of the people not only in England itself, but in Scotland and Ireland likewise. In the Highlands, until the middle of the eighteenth century, and in Ireland, until the accession of James the First, the land laws, so far as Highlanders and native Irish were concerned, were entirely different. But when the clan system was broken up the English land system was extended to the two other countries, and in them it has had the same result as in England, that of degrading and impoverishing the poorer residents in the rural districts. It would, of course, be a gross exaggeration to say that all the evils of rural depopulation and urban overcrowding are traceable to the land laws. But it is no exaggeration to assert that the land laws have had a greater influence than all other causes put together. People ignorant of the history of their own country and dominated by partisanship often argue as if the depopulation of the rural districts and the overcrowding of the towns was due to Free Trade. As a matter of fact, farming was exceedingly prosperous from the adoption of Free Trade until the middle of the seventies of last century. It was not until after the middle of the seventies that agriculture began to decline, and though it would be out

of place here to discuss the question at any length, this much may be observed, that it is debatable whether Free Trade had much to do with the decline of agriculture which is really due to an uneconomic land law, an untrained body of landowners, and an untaught, unscientific body of tenant farmers. The real causes of the depopulation of the rural districts, the overcrowding of the towns, unemployment, and pauperism are, in England, the revolution of the fifteenth and sixteenth centuries, and the consequences that flowed from it; the want of education; the Poor Law, including the Law of Settlement; an uneconomic land system; and the factory system. In Scotland, there has to be added the break-up of the clan system in the eighteenth century; and in Ireland, the confiscation of the clan lands in the sixteenth century, the Penal Laws, and the disfranchisement of the forty-shilling freeholders. As time has gone on and the Democratic spirit has spread and become prevalent, the resulting evils which have been just sketched so briefly and inadequately have obtruded themselves more and more upon the public mind, and have compelled the attention of statesmen and humanitarians to concentrate itself upon the questions of unemployment and pauperism. The report of the Royal Commission on Poor Law Reform and the recommendations of the Majority and the Minority contain a vast mass of most useful information on both subjects, as well as most valuable suggestions. Everybody interested can do no better than study the report, and especially the recommendations of the Minority. Here it is enough to say that the eighteen members of the Commission all agreed that the existing systems of poor law relief in the different parts of the United Kingdom have utterly broken down; that they are inefficient, extravagantly costly, and demoralising; and that they ought all to be got rid of. It may be added that a couple of years

previously a Vice-Regal Commission in Ireland had reported very much to the same effect. It recommended the sweeping away of the workhouses and the undoing of the workhouse system, reminding the Government that all Irish competent opinion had been opposed to the original introduction of the workhouse system, and that Ireland was overruled at the time by Lord John Russell, who happened to be Home Secretary. The present Government has promised a reform of the Poor Law. Therefore, if it remains in office, we may reasonably hope that a scientific attempt will be made to remove a system which has degraded the very poor, and been fruitful in almost every kind of evil. In the meantime, the new system of labour exchanges, it may be hoped, will do much to diminish unemployment. There are a great number of people who, posing as unemployed, really do not wish for employment, very often, indeed, refuse to work. But where respectable working men for any reason have lost employment, the new labour exchanges will be most helpful to them. Experience, no doubt, will suggest to the authorities many ways in which the benefits they are capable of rendering may be extended, and also directions in which mistakes made at first through inexperience may be remedied. But even if the labour exchanges do all that the most optimistic hope from them, there will remain a vast body of persons who must be dealt with in the coming reform of the Poor Law. It is eminently desirable that their cases should be studied carefully by the public, for public opinion will ultimately determine what shape the reforms shall take, and if public opinion is not properly instructed, there is danger that it may take the wrong side.

Everybody probably will agree that the tramp, the loafer—everybody, in short, who will not work and has not the means of independently supporting himself—

ought to be dealt with severely. All the members of the Royal Commission on the Poor Law recommend detention colonies. Probably that would be the best way to deal with wastrels and "in-and-outs." It is not desirable that that class of person should compete with the independent poor. Of course, some competition is inevitable. But every care should be taken to lessen the competition as much as possible. At the same time, it is clear that those who will not work and live upon the community should be compelled to earn their living in some way. Furthermore, everybody who has any knowledge of the subject will probably agree that the workhouses ought all to be demolished and the sites sold. Mixed workhouses are a crying evil. They lead not only to immorality, but to many other evils, and they should not be allowed to continue in any part of the United Kingdom. Again, there will be little difference of opinion, it is to be presumed, in regard to the cases of the aged poor. Many of those, no doubt, will cease to receive relief from the Poor Law, and will be entitled to an old age pension. The old age pension is in every way better than either outdoor or indoor relief. It enables the aged poor to remain in their homes, and to continue to live together. No doubt, however, there will be aged poor who are incapable of taking care of themselves and who have no near relatives that will take care of them. Therefore, some arrangement must be made for the very old who are incapable of taking care of themselves; but where possible the respectable poor should not undergo the stigma of pauperism when in their old age they are no longer able to work. Again, there is not likely to be a great difference of opinion in regard to the recommendation of the Minority Report that the sick poor should be placed under the supervision of the Health Committee of the Borough or County Council, and, likewise, children too young for school; and that

the feeble-minded of all ages and classes should be under the Asylums Committee.

Of all the questions coming under the head of Poor Law management, far the most important is that respecting children. The very old have done their work, and there is only to make the evening of their days as easy as possible. The respectable able-bodied poor ask only for employment, and the task, therefore, is merely to help them to get it; while the poor who will not work ought clearly to be made to work. But the children will not only form part of the adult population of the country by and by, they will also become fathers and mothers, and bring other children into the world. Their case, then, demands the most careful thought from the public. The Minority of the Royal Commission recommend that they should be taken away from all connection with the Poor Law or the workhouse. Indeed, the Commission recommend the abolition of Poor Law guardians and the doing away with the Poor Law system altogether. But the point here is that the Minority recommend that children under school age are to be placed under the Asylums Committee of the County or Borough Council, and that children of school age should be placed under the charge of the Education Committee of the Borough or County Council. In short, the recommendation is that children of all ages should be made wards of the Borough or County Council, and that the stigma of pauperism should, as far as possible, be removed from them; that they should be brought up as nearly as the circumstances will admit like other poor children, away from all contact either with paupers or pauperism, so that they may forget all habits of pauperism; that they should be educated like other poor children, and every effort made to instil into them habits of order, industry, respect for the law, and the like. There appears to be no reasonable objection to this plan. The interest of the public is that

children who must be brought up at the cost of the public should be instructed so that they may repay the public, not, of course, directly, but by learning to become efficient workers, that thereby they may add to the general wealth and more than repay the cost of their own bringing-up. Furthermore, in the past, one of the evils of the workhouse system was that pauper children mixed with paupers and therefore grew up with more or less of the pauper instinct; that they married and brought into the world others destined to become pauper children, and that thus, generation after generation, the ranks of pauperism were recruited. If the children of paupers can be taken away altogether from contact with pauperism and can be trained as nearly as the circumstances admit like other children, there seems to be reasonable ground for hope that the majority of them will grow up orderly and efficient workers; that the taint of pauperism will be eradicated; and that in that way the ranks of pauperism will gradually be greatly reduced. It would be extravagant to hope that pauperism will cease altogether as long as public opinion remains what it is. But the great majority will probably develop into respectable workers. As in every other case, it is to education that we must look for reformation, and the pauper child ought to be educated exactly like all other children attending elementary schools. But the reformation can be helped greatly by agencies outside of what is strictly called education. Pauper children left with pauper parents and mixing with other pauper children get steeped in the habits of pauperism. If in the future pauper children are taken away from all contact with pauperism and mix with persons who have never suffered from pauperism it is reasonable to expect that they will imbibe the opinions of those with whom they constantly play and work. Furthermore, in cottage homes and the like an immense influence for good can be exercised by those who

bring the children up. It is never to be forgotten that the duty of the State to children who are so destitute that the State has to take charge of them is to fulfil towards them the duty of a parent, and the duty of a parent is not merely to relieve distress but to fit the child for whatever function in life he or she may have to fulfil in the future. It is, furthermore, to be recollected that much of the ill-health that ravages the country is due to the existence of a vast body of destitute people, and that if the number of hereditary paupers can be reduced and made not only self-supporting but producers of wealth, there unquestionably will be a great lessening of the quantity of ill-health in the community. Over and above this, a good deal of the crime which necessitates the maintenance of such a vast body of repressors of crime, from the judge down to the policeman, is to a considerable extent the result of hereditary pauperism. It would, of course, be utterly false to pretend that destitution is due solely to heredity. Men and women who have started with a fair chance in life often fall through vice, crime, or the like. Moreover, it is not to be denied that even pauperism in some cases is the result of the early death of parents, or of accidents that incapacitate from working. But when full allowance is made for personal faults, accidents, disease, death, and the like, the great bulk of the destitution of this country is traceable to uneconomic, injurious institutions, to mistaken public opinion in the past, and to defects of organisation. Unless we reform uneconomic and injurious institutions they will, to some extent at all events, neutralise our efforts to raise the people in intelligence and prosperity. Again, if we do not insist upon a proper organisation much of the good we hope from our reforms will not be secured. For example, the Minority Report of the Poor Law Commission is for the most part most excellent. Its recommendations appear to

be in most cases decidedly better than those of the Majority.

But there is one great danger in the recommendations, and it is this : The whole of the duties now discharged by the Poor Law authorities, and some that are discharged by the Home Office and by the police, are, according to the Minority, to be transferred to the County and Borough Councils. There is clearly a danger that if the County and Borough Councils are to take on the Poor Law work in addition to all their present functions they will be utterly overworked and break down. Therefore, it ought to be considered with the utmost care how this very serious danger is to be obviated. That the danger is real nobody who thinks can doubt. Is it to be met by increasing largely the numbers of the different councils ? That, no doubt, would help. But would it be a complete remedy ? The Minority recommend, in addition, that committees from the existing unions should be created to assist and advise the Committee. And, further, they recommend that charitable bodies should be employed for the same purpose. All this seems excellent. But will it enable the various committees of the County or Borough Councils to discharge with efficiency the accumulated duties proposed to be imposed upon them ? It is a matter not to be decided in a hurry. It needs to be thought over carefully and well. That the Poor Law system must be got rid of every thoughtful person is agreed ; and that the report referred to contains suggestions for an admirable reform is also generally admitted. But nobody who thinks can doubt that there is danger that the County and Borough Councils may be overworked, and if they are, the real performance of their duties will fall upon their officials and will tend to become a matter of mere routine. In a very short time, in fact, the reforms will come to nought. There is, of course, much to be said for transferring the

whole of the Poor Law functions to one authority. As an instance, it may be mentioned that at the present time destitute children are subject to no fewer than three different authorities—the Poor Law authorities, the education authorities, and the police. Originally, the police supervision extended only over criminals. But gradually the criminal aspect has receded more and more into the background, and at the present time in the reformatories and industrial schools there are 30,000 boys and girls belonging to many distinct categories. The Education Department also is gradually encroaching upon the Poor Law administration, and is giving relief to the poor in a multitude of ways. It will be remembered that experience showed the need for supplying food to very poor children while at school, and suggestions have been made from time to time that other things should be done. It is contrary to all sound principle to have authorities interfering in this way with one another; and, therefore, there is an exceedingly strong case for getting rid altogether of the Poor Law, which everybody is agreed has been a failure, and transferring all its activities to the education authorities. They, besides being specially fitted for dealing with the children, have experience already, and, therefore, will not come quite new to the work. Moreover, they will not continue the stigma of pauperism. Still, the danger is not to be overlooked that the County and Borough Councils have already a very great deal to do, and that if the administration of the Poor Law is transferred to them, there is serious danger that they may break down from overwork. The question of organisation, then, is of the highest importance.

PART II

INDIA

CHAPTER XVII

INDIA

IN considering how best can be raised the condition of those oversea possessions of the Crown which are not self-governing India naturally is entitled to the first place in our attention, because of the immensity of her population and the vastness of the responsibilities we have undertaken in making ourselves answerable for her well-being, and, in order to be able to carry on successfully the inquiry about to be instituted, it is necessary to have as clear as possible an idea of what India is. To begin with, then, she has an area of 1,773,168 square miles, which is a little more than that of the whole of Europe outside the Russian Empire. The population of this huge area amounts, according to the new Census, to 315 millions. The population of Europe outside of the Russian Empire amounts to 282,386,677, so that not only does India somewhat exceed in extent the most forward parts of Europe, but she has also a larger population. It will be seen, then, that although we commonly speak of India as a country, it would be more correct to think of her as a continent, with a population on the continental scale. Moreover, the population of India differs even more than does the population of Europe, outside of Russia, in race, in religion,

and in language. No doubt there was a time when the racial differences in Europe were at least as great as those now presenting themselves in India. No doubt, also, it is a gross mistake to suppose that all of the lower races in Europe have been extinguished. But the course of events has raised the lower races in Europe and intermingled them with the higher races, so that at present the population is very mixed and the racial differences are comparatively slight. In India, on the other hand, the racial differences are extremely great. Moreover, the populations differ much more than the European populations with which they have just been compared in regard to civilisation. Some of the Indian populations are relatively high in the scale of civilisation; some are exceedingly low—some indeed, are little, if any, above the savage state. In religion, again, the differences are so very much greater than in Europe that they are not even comparable. Although all who are not either Mohammedans or Christians are officially reckoned as Hindoos, as a matter of fact the lower castes, though classed with the Hindoos, are not recognised by the higher castes as equals, or, apparently, even as co-religionists. So far, indeed, is the feeling of repugnance carried that the Brahmin is defiled by touching a member of the lower castes or even by the shadow of the inferior falling upon him.

Fully to appreciate the difficulties of the problem before the British rulers of India it is necessary to bear all this clearly in mind. At the same time, it is to be recollected that, broadly speaking, the Indian population for practical purposes may be divided into two great classes—the Hindoos and the Mohammedans. The Hindoos themselves, as has just been pointed out, it will be well never to forget, differ greatly, the higher castes looking down with the most lordly contempt upon the lower castes. Still, whether we call them Hindoos or not, they worship a

number of gods, while the Moslems recognise but one God. Moreover, the Mohammedans form a very material part of the whole. At the census immediately preceding that just taken they amounted to 62,458,077, while the Hindoos were returned as 207,147,026. The Moslems, therefore, constituted ten years ago 21·2 per cent. of the whole population, and the proportion probably has since increased rather than fallen off. The vastness of the area and the magnitude of the population, if they stood alone, would form very great obstacles in the way of any change, but more particularly of a material improvement of the condition of the people. The obstacles, however, are greatly enhanced by the poverty of the people.

To begin with, it may be said with small deviation from the truth that in India there is no middle class. Consequently, there is very little of what we in this country call trade, and it is not much exaggeration to add that the population lives by the land. India is preponderantly an agricultural country. And the vast majority of the population are miserably poor. In the whole of India there were ten years ago only 29 cities each with a population of 100,000 persons and over. And the aggregate population of these 29 cities was no more than 6,605,837, making just 2·3 per cent. of the total population. In other words, very nearly 98 persons out of every 100 lived in the country or in urban districts with populations under 100,000. To put the matter somewhat differently, and in a way that will probably make the facts of the situation more intelligible to the reader, the aggregate population of the 29 greatest towns in India is very little larger than the population of Greater London alone. Furthermore, of the towns with populations varying from 10,000 to 100,000, the aggregate throughout the whole of India was ten years ago no more than 15,351,280. Consequently, in the whole of India, the population of towns of 10,000

people and upwards amounted only to 21,957,117, or 7·5 per cent. of the total population. As we have already said, India is, to all intents and purposes, an agricultural country. It has hardly any middle class, as we understand the phrase. There are, of course, ruling princes, great nobles, rich landowners, and wealthy bankers and merchants; but the vast majority of the population live by agriculture. According to the "Statistical Abstract Relating to British India," issued in 1910, the total number who live by agriculture amount to 191,691,731, or 65·16 per cent. of the total population. Practically, that is to say, two-thirds of the whole population live by agriculture. Of these two-thirds, 88,641,369 persons, or 46·3 per cent., being 30·13 per cent. of the total population, are actual workers on the land. The remainder, numbering 103,344,013, are dependent upon the workers. They amount to 53·7 per cent. of the two-thirds, or 35·03 per cent. of the total population. We need hardly remind the reader that an agriculture of such magnitude implies the existence of a multitude of ancillary trades, such as farriers, smiths, carpenters, cart-makers, and the like. Consequently, if we include not only persons who are partly farmers and partly traders, but also the members of all the trades ancillary to agriculture, it will be seen that the population dependent upon the land is very considerably more than three-quarters of the whole people of India, probably exceeds 90 per cent. According to the Statistical Abstract already referred to, the rate of wages of the agricultural population ranges from a minimum monthly wage of Rs. 1.87 at Fyzabad to a maximum monthly wage of Rs. 15 in Rangoon and Toungoo. In other words, the highest monthly wage is only equivalent to £1 in English money, and the lowest to slightly under half-a-crown.

It having now been shown that about three-fourths of the population live by the land, and that the average

wages of agricultural labourers range from somewhat under half-a-crown per month up to £1 per month, the reader is in a position to understand the difficulties which are presented to the European statesman who endeavours to raise the condition of the people. But to appreciate still more clearly all the difficulties it is well to bear in mind that, so far as the mass of the people are concerned, they have no education, and never have had; that they are, consequently, sunk in the deepest ignorance—so much so that they have been induced by sedition-mongers to believe that their own Government has employed agents to poison their wells, and that they resent as little short of impiety every attempt to fight plague or to introduce sanitation. Over and above this, India is subject every few years to severed droughts, which often cause grievous famines. Lastly, for its size and population India has exceedingly little foreign trade. The total value of the imports into India during the year 1909–10 amounted to £112,419,151, and the total value of the exports to £134,016,721; both together, therefore, were only £246,435,872, comparing with an aggregate foreign trade during the nearest year for which the figures can be accurately ascertained, that from April 1, 1909, to March 31, 1910, in the case of the United Kingdom of £1,244,089,516. It has been shown above that while India is a little larger than Europe outside of the Russian Empire, its population, likewise, is somewhat larger than the population of Europe, with which it has just been compared. Consequently, the density of population in India is about the same as the density of population in the wealthiest, most intelligent, and most commercial portion of the Old World. It is hardly necessary to add the caution that in this comparison new countries like the United States and our own colonies are not included. India as a civilised country is at least as old as the oldest part of Europe, it is necessary

to remember. But she apparently never has had a great trade, either internal or external ; and it would seem to follow, though the Indian records of ancient times are so few and tell us so little that it is dangerous to draw positive conclusions, that she has never been rich. However that may be, at the present time, as the statistics cited above prove beyond doubt, India is exceedingly poor. Yet, deep as is her poverty, the density of her population is as great as that of Europe outside the Russian Empire. The student who desires to realise as clearly as is possible to one who has not lived long in the country and travelled widely over it the condition of our great Dependency ought to dwell upon this important fact. In Western Europe manufactures are highly developed, and there are multitudes of great towns. Yet the whole of Europe outside of the Russian Empire is not more densely populated than India, with so few large towns, and with a population so preponderantly agricultural. No doubt the climate accounts partly for the fact. In the climate of most parts of Europe it is scarcely conceivable that a population so poor and so dense could have continued to live for such an immense space of time as the population of India has lived under its own conditions. Nevertheless, the density of the population is an important factor in the study in which we are here engaged ; that is to say, the best means of raising a population in prosperity.

To complete the description of India it is necessary to call the attention of the reader to two matters of capital importance. The first of these is that India is governed by a country thousands of miles away, which country sends out a number of highly educated Civil Servants, with a Governor-General at their head, and that, in addition, the ruling country provides India with a white garrison about 80,000 strong. To make sure that the Government shall be competent it is obviously necessary to pay its

members on a high scale—to pay them somewhat better than the same class of men would be paid at home. Consequently, the Government is an expensive one. And, being animated by all the European ideals of government, of decency, of order, and so on, it aims at carrying out reforms many of which are repugnant to the governed, and all of which are costly. While the Empire of India was being built up it was practically governed by the men on the spot. In those days there were no railways and no telegraphs, while the voyage out was not only long, but subject to all sorts of delays and accidents. Communication between England and India, therefore, was difficult, and practically the men on the spot did what in their opinion the occasion required, and the Government at home had little option but to approve of what had been done. Since the introduction of the steamship and the telegraph all that has been changed, and for a long time now India has been very largely governed from Downing Street.

From some points of view, no doubt, the change has been beneficial. Foreigners ruling over a vast population, and living many thousands of miles away from the community whose public opinion they are governed by are apt to degenerate. Therefore, the bringing of British public opinion to bear more closely upon the British rulers of India must in the majority of cases have been beneficial. In other cases, however, it has been the reverse. For example, the British rulers of India are very few. Therefore, the administration is very largely carried on by means of written communications. Even in the great Presidency towns there is not so much discussion amongst the higher officials as would naturally be expected. Very much of what would be discussed orally here at home is discussed by the sending around of papers in India. Moreover, reports of all kinds are

exacted by superiors from subordinates, with the result that members of the Civil Service, who really constitute the Government of India, are tied to their desks for far too much of their time. The consequence is that they do not mix with the Indian people as much as is desirable, and that their aloofness gives offence naturally. Lord Morley and his successor have striven earnestly to remedy all this. But the circumstances make it difficult to effect a real remedy. Over and above this, the railway and the steamship make it possible for Civil Servants to come home frequently. Therefore, the Indian Civil Servant is not as completely committed to India as he used to be in days gone by. Lastly, it is obvious that a Minister in London, however good may be his intentions, and however well have been selected his advisers, cannot know the circumstances of India as well as the men on the spot. There is, therefore, a danger that interference from Downing Street may be too frequent and too meddlesome, and that much of the good effected by bringing British public opinion to bear more immediately upon Indian questions than in the past is neutralised to some extent, at all events, by interferences from Downing Street. It is well to bear all this in mind in considering what ought to be the true policy in India. It seems safe to say that another change is impending which will be even more far-reaching than that effected by the railway, the steamship, and the telegraph. It will not altogether prevent British public opinion from influencing Indian policy. But it will in all reasonable probability make the meddlesomeness very much less frequent and less positive, and it may be also that it will diminish the weight of British public opinion. Whatever may be the result of the change everything seems to portend that it will come soon. Indeed, it looks as if any long postponement would be dangerous. The change referred to has already begun

in the admission of native Indians to the Governor-General's Council and the Provincial Councils.

The second matter to which attention must be called is that the people of India, speaking generally, are entirely devoid of all banking facilities. There are, of course, Presidency banks which cater for the commercial community, and there are exchange banks which serve the foreign trade. But, speaking generally and broadly, banking has been hitherto quite unknown to the Indians outside the great towns. The agricultural population, which practically is the Indian population, has had to depend almost altogether for banking accommodation upon village usurers. Quite recently the Government very wisely has introduced people's banks. The number, for so immense a population, is as yet very small, and the resources they have to employ are exceedingly small. But a great system of banking, even of the kind referred to, cannot be built up in a few years. It must be a work of time, especially in such a country as India where the knowledge of banking outside the great towns hardly exists, and where the bulk of the population is so wretchedly poor. Still, the Government has begun the reform, and it is to be hoped that it will continue to foster it. Indeed, the admission of natives to the various councils seems to be a guarantee that the policy will have to be carried very much farther than the Government contemplated when it began the movement. In any event, to understand the present condition of India, and to be able to form with any confidence an opinion as to the wisest policy to be pursued, it is necessary to bear in mind all these facts.

Over and above this, from time immemorial India has hoarded gold and silver. Sometimes immense sums in actual coin are hoarded, but most generally the practice is, with regard to the small people, to put their savings

in the form of ornaments to deck out their women-folk. The accumulation of savings or hoardings must be almost incredible. On November 26, 1892, there was published in the *Statist* a table showing that in the 33 years ended with the preceding March there had been imported into India and kept in the form of gold and silver the enormous aggregate of £356,324,000. Now hoarding had been going on from time immemorial before that, and has been going on ever since. Therefore, the mass of gold and silver accumulated in private hoards of all kinds must be incredibly great. The habit of hoarding thus indicated has contributed powerfully to the intense poverty of India. No doubt the habit sprang up, to no small extent, at all events, because of misgovernment and the absence of security for life and property. It is to be recollected that even in Europe until quite recent times hoarding was almost universal. Whatever the causes may have been, there is no question that hoarding has added to the poverty of India, for people denying themselves enjoyments and hiding away their money, or else using it merely to bedeck their women-folk, put out of employment vast amounts of capital which otherwise might have made a handsome return. The amount of gold and silver accumulated during the 33 years just referred to was at the rate of over $10\frac{3}{4}$ millions sterling per annum. It is obvious that if that vast sum had been laid out in enterprise it would have immensely improved the condition of the people; whereas, hoarded mainly as ornaments, it served no other purpose than to gratify feminine vanity. Still, it is important to remember that there is in the country a hoard of the precious metals and precious stones of incredible amount which, if it can be drawn forth, may in the future prove of incalculable benefit. In the meantime, there has to be added that the closing of the mints in 1893 has depreciated the value of silver, and, therefore, in its

degree has, in the first place, helped to impoverish India, and, in the second place, has gone to swell that rising tide of discontent which in its worst form is manifesting itself in political assassinations.

It would be useless to discuss in this place at any length the policy of closing the Indian mints to silver. Silver is the currency of the country, and it is the precious metal in which the poor hoard their savings. Therefore, a fall in the price of silver is a serious matter to the poor. And the fact that the value of silver has fallen is forced upon the attention of hoarders every time they bring out any silver for sale. It is to be feared, therefore, that amongst the multiplicity of causes which have brought about the present unrest in India there must be included the policy which led up to the closing of the mints.

CHAPTER XVIII

INDIA—(*continued*)

IN the last chapter an endeavour was made to lay before the reader as clear a description of the present condition of India as could be conveyed within such compass by means of printed words and statistics. It is to be feared that to those who have not visited the country the result was not very illuminating, and it is to be feared still more that to none was it very encouraging. But if we are to work effectually we must first take pains to understand completely the problem we have to solve, and therefore we must not allow ourselves to be disheartened by difficulties, however formidable they may seem. On the contrary, we must not forget that difficulties usually lose much of their forbidding appearance when they are coolly confronted and examined. As a matter of fact, in the present case it will be found as further progress is made that the picture, so far from being altogether black, has not a few bright spots. The brightest and most promising of these is, most people will agree, the revolution which has been accomplished quite recently. The word "revolution" is here used advisedly, for in very truth the change that has been effected has amounted to nothing less. India, it will be borne in mind, has since the days of Clive been going through a process of change as great as any community has ever experienced. It has seen a trading company overturn and subdue its emperor, its ruling princes, its most enterprising and warlike popula-

tions. It has, in consequence, been brought under the sway of British law, British custom, British administration, and British literature. Under the influence of all these its own customs and its own beliefs have been crumbling away. More recently an English system of education has been introduced, and largely through its action, at once disintegrating and reconstructive, a spirit of discontent has arisen which has led to many atrocious crimes.

Fortunately, in Lord Minto and Lord Morley the Empire has had a Viceroy and a Secretary of State not afraid of innovation. They have, with the approval of the Crown and of all classes of the British people, introduced bold and far-reaching reforms. It would be untrue to say that there was not a great deal of doubt whether the reforms did not go too far and might not lead to greater dangers. But up to the present, at all events, experience has proved that the Viceroy and the Secretary of State were right, and that the reforms introduced are working admirably. When the first session of the reformed Viceregal Council came to an end Lord Minto was perfectly justified in declaring that the experiment had vindicated itself. For one thing, it will be remembered that although the elected members outnumber the official members, the new Council supported the Government in all measures necessary for maintaining order. That in itself affords most gratifying proof that at all events the higher classes in India have very considerable political aptitude. Putting aside as mere dilettante work the speeches delivered, the newness of the members to the work they were called upon to perform, and all similar considerations, we have the fact before us that in everything material for maintaining the authority of the Government and the safety of the subject the Council supported the Government fully, which leaves no room for doubt that thinking men in India are fully aware that the interest of India is to

maintain the British connection and work loyally with the British Crown. At the same time we have had clear illustration that India has entered upon another great change. In the last chapter it was pointed out that while the Empire of India was being built up the Government at home had little opportunity to guide its agents in Calcutta, but that as soon as the era of the steamship and the telegraph had been ushered in Downing Street took upon itself directly to govern India. Bearing in mind the terrible lessons of the Mutiny it was perhaps inevitable that this should be so. But it is earnestly to be hoped now that the Government at home will recognise that it must not in future attempt to play the part of a Providence so completely as it has done during the past half-century.

Up to the present it is fortunate that it can be said with truth that both the Secretary of State and the Governor-General have recognised what the new reforms required them to do. But we cannot always count upon having men of great experience, tact, and judgment at the head of affairs both in London and in Calcutta. Therefore, it is eminently desirable that a new precedent should be established, and should be observed in the future, to the effect that as the Indian people have been admitted to a share in the management of their own affairs their wishes must be attended to, and consequently, there must be much less interference from Downing Street than there has been for a generation and more. It is not meant, of course, that Downing Street should abdicate, but that, while it criticises proposed measures, suggests alterations, and, if necessary, insists upon provisos, yet that it should not issue peremptory orders which, while binding upon the supreme Government in India, may run counter to the expressed desires of the representatives of the people in Council. There may, of course, be cases in which it may be the duty of the Secretary of State in

London to oppose himself firmly to the wishes of the native majority in the Councils. For example, the representatives of one religion might demand a course which would be unjust to another religion. And there are other cases which would call upon the authority which is the last resort of appeal to hold the scales even. But the Secretary of State ought to be very careful indeed in convincing himself that there are just grounds for setting at naught the demands of the Indian people as formulated by their representatives in Council. It follows from this that India must be governed in future much more by Indian opinion than by British. This is urged not merely upon the Government—for, after all, Ministers are merely agents of public opinion here at home—it is urged still more earnestly upon the British public. If they clearly realise that, for good or for evil, the nation has pledged itself to give effect, as far as may be, to the wishes of India, they will make Ministers feel that they must not meddle unnecessarily. It may be added that in two instances the new Council has given evidence not merely of high political capacity, but of a determination to make clear to the Government the wishes of their constituents where those wishes are unmistakably manifested, so that it may give effect to them. The first of these cases was where the native members in a body protested against the exclusion of Indians from South Africa. The protest was so universal and so evidently sincere that the Indian Government at once promised that it would stop altogether indentured labour for South Africa if the South African Governments did not change their policy towards India. As soon as the Indian reforms were announced, it was easy for any one who had followed closely the course of events in India to predict that the new Councils would insist upon a different policy being observed towards the excluding colonies. There is, therefore, no cause for surprise at what has taken place. It is

to be hoped, however, that the public here at home, and likewise the public in the self-governing colonies, will recognise fully the significance of the event. In the very first session of the Viceroy's reformed Council, before its members had time to appreciate their opportunities or to grow accustomed to their new position, the expression of Indian opinion was so strong and so universal that the Indian Government found itself compelled to promise that it would change its policy in regard to South Africa. Here, then, we have an announcement that there has been effected a very great change within the British Empire. India for the first time insists upon her right to deal directly with another and a self-governing part of the Empire. The incident is pregnant with consequences of the very highest moment, the more particularly when it is borne in mind that within the same year Canada acquired the right, and exercised it, to negotiate directly with independent foreign Powers—such great foreign Powers, in fact, as the United States, Germany, and France—and that what Canada has acquired is acquired for all the self-governing communities beyond the seas. It is matter for wonder whether the public has fully realised yet what that fact means, and how entirely new a phenomenon in the political world is the British Empire as it exists to-day. If the change affected only the self-governing Dominions, Commonwealths, and Unions, it might be taken as a natural consequence of the obtaining by them of complete Home Rule. But here we find that one of the very first results of the admission of elected members to the Viceroy's Council in India is the assertion by the new Council of its right to modify the policy of the Government in regard to one of the self-governing portions of the Empire. And the assertion of that right by the Council was admitted by the Government, which promised to act upon it. Here again we are presented with a change in

the political constitution of the British Empire, the full consequences of which it is impossible at this early date to measure. But it is earnestly to be hoped that its importance will be realised by the public. The second fact to which attention is invited is the demand of the Indian members of the Council for improved and greatly extended education. Whatever may be thought of the attitude adopted by those members towards South Africa, nobody will dispute that it proves on their part political capacity of no mean order that, at the very first opportunity given them, they demand above everything better and more extended education. This fact is calculated to inspire the British public with a greater hope than very probably it had felt itself justified in entertaining previously. The difficulties presented by the condition of India are great. The policy adopted by the self-governing colonies towards India, and the weakness, hesitation and irresolution betrayed by all parties and all Ministers here at home on this question between the self-governing colonies and India, were all of a nature to inspire thinking people with serious fears. Relief is given them by the evidence afforded of political capacity by the Indian members of the new Council. The men who see so clearly that the indispensable thing is good education, and who are willing, poor as the mass of their fellow-countrymen are, to incur the cost of improved and extended education, ought to inspire all thoughtful observers with the belief that they will not fail in political capacity, even though the self-governing colonies do not rise to the height of their great opportunity.

Having endeavoured to get as clear an idea of the existing condition of India as can be conveyed by printed words and figures, the next subject for inquiry is: How can the condition of a people so wretchedly poor be raised satisfactorily and in a short time? In the preceding

chapters it has been shown that the most indispensable thing is a really sound system of education, and it has just been pointed out that, happily, the Indian members of the Viceroy's Council agree fully with us.

Before proceeding, however, to deal with education in some detail it seems advisable to give some attention to a smaller matter, but one which is constantly suggested—indeed, pressed—upon the Indian Government and the India Office. If it were not got out of the way, it might indispose the minds of readers to give due weight to education, as they might be inclined to think that a cheaper and easier and a very much quicker method of giving relief to our great Dependency presented itself and was not availed of. Probably the great majority of readers will be inclined to say that, next to education, the most promising way of raising the condition of the Indian people is to encourage emigration on a great scale; while many readers, no doubt, will go farther, and say that emigration ought to be resorted to before education is much extended. Such readers will be tempted to think that in a country so vast as India a really complete system of education cannot be carried out because the cost would be heavier than the country could bear. Even at home, they will urge, the cost of education is heavy. What will it be in a country so densely populated as India and at the same time so poor? Therefore, they will be almost certain to contend that emigration should be resorted to before much expenditure is incurred in extending education. In support of the contention they may even urge that the more enterprising of the Indian people themselves lean towards that opinion. They have attempted to emigrate to the United States, to Canada, to Australasia, and to South Africa, but in every instance they have been repelled. The Americans and our colonial kinsmen have all decided that their countries shall be white men's

countries, and that they will not admit further coloured immigrants. The United States being a foreign country has the right, of course, to carry out its own ideas as to what is best for it. Against its decision no foreigner is justified in complaining. But we might reasonably expect that our own fellow-subjects in the self-governing Dominions, Commonwealths, and Unions would at least sympathise with our difficulties and strain a point to help us to solve a problem than which an Imperial race has seldom been confronted with any of greater and more threatening magnitude. However, the fact is that they do not so sympathise, and, unfortunately, at home among ourselves many of those who arrogate to themselves the title of Imperialists encourage the self-governing colonies in the course they are taking.

So far, therefore, as the self-governing possessions of the Crown beyond sea are concerned emigration from India must be put completely on one side. That emigration from India on a great scale would be beneficial to that country no thoughtful man who has given attention to the matter will, of course, dispute. Furthermore, every such man will agree that emigration would be most prolific of good if it could be directed to the United States and to the self-governing possessions of the British Crown beyond sea. But both the United States and the self-governing possessions of the British Crown have decided against the admission of coloured immigrants from whatsoever country; and, therefore, the matter must be regarded as settled, for the time being, at all events. It will, of course, be replied that there are large possessions of the British Crown which are open to Indians as well as to others, and that emigration upon a great scale to those ought to be taken in hand at once. We have, it is true, in Nigeria, Uganda, and British East Africa fertile territories which one day, doubtless, will be highly

prosperous. But unfortunately they have become British so recently that there has not been time for a large British population to grow up and, consequently, they hold out little attraction to the Indian without means who is contemplating emigration. An Indian with a little capital, with enterprise and self-reliance, no doubt would prosper greatly in any of these, but a very poor Indian, who only by the help of his friends perhaps can scrape together his passage money, and who looks for—indeed, must have—immediate employment on landing on the unknown shore, would starve in these very new countries.

As has been pointed out, the population of India is enormous—somewhat larger than the population of all Europe outside Russia. And it is not only enormous, but it is exceedingly dense, as dense as the populations of the most progressive, commercial, and wealthy countries of Europe. In addition, the population of India is excessively poor, as has been clearly shown already. Therefore, if India is really to be relieved by emigration the emigration must be on a scale sufficiently large to affect wages. To take a few people here and there might relieve those particular individuals, but it could have no influence upon the general condition of the population. If emigration is undertaken with a view to improve the material condition of the Indian people it is clear that it must be on a very large scale indeed; that it must, therefore, cost a very large sum of money; and that neither the Imperial Government nor the Indian Government would be justified in encouraging such a policy unless they themselves undertook to see that it was carried out upon a thoroughly sound principle. Indeed, it is plain that it could not be carried out except the Governments mentioned contributed to the funds for effecting it. The question, then, really comes to this: Is the Government of India prepared to spend a very large sum of money in

transferring from their native homes to entirely new countries an immense multitude of Indian families, for presumably families must be moved to affect the condition of the whole country? Would the Indian Government be justified in undertaking such a policy? An affirmative answer to that can be given only if it can be shown that money expended on removing a large proportion of the Indian population from India to East Africa, let us suppose, would be better spent—that is to say, would have a more beneficial effect upon the Indian population altogether—than an equal amount of money expended in any other way. It would be an extremely difficult thing to prove such a proposition. For if a great number of Indian families were transferred from India to British East Africa and Uganda, these new countries would have to be made capable of maintaining the new settlers. Railways, roads, houses, towns, and so on would have to be constructed. Furthermore, arrangements would have to be made to feed the new settlers while crops were growing. In short, the responsibilities undertaken by the Indian Government would be enormous while the ultimate result would be at least problematical. There is no desire in urging all these objections to discourage emigration from India on a large scale. On the contrary, it is perfectly certain that such emigration, if it could be safely carried out, would be highly beneficial. But to embark on a great scheme of emigration without first counting the cost would be folly. Beyond all question the cost in pounds, shillings, and pence, not to include anything else, would be immense. Furthermore, it would be unjustifiable to transfer large numbers of Indians to new countries unless the Indian Government had fully convinced itself that the proposed settlers would be able to live in the countries selected, and to prosper and multiply. At this stage of the inquiry it is too early to

enter upon the question here suggested. It can be discussed more satisfactorily at a later stage. For the present it seems to be enough to say that the evidence before us is not sufficient to justify anybody in declaring in favour of a great scheme of Indian emigration ; that, on the contrary, such evidence as does exist suggests that before recourse is had to that there ought to be an earnest endeavour in India itself to raise the condition of the people.

CHAPTER XIX

INDIA—(*continued*)

THE Indian members of the Viceroy's reformed Council, as has already been pointed out, fully agree with the conclusion that the indispensable means of raising the condition of the Indian people and increasing their purchasing power is a sound system of education. The fact, as already said, is of the greatest promise for the future, and, in regard to the present discussion, makes it unnecessary to labour the matter here. It is quite true, as has already been seen, that education has its limitations. It cannot do everything; but, for all that, it can work wonders. When it is said that education is indispensable and can work wonders, it must be understood that the word is used in its very widest signification. In the mouths of some education means little more than reading, writing, and arithmetic. In the mouths of others it means much more, but still not more than mere book-learning. In the mouths of others; again, it means, in addition to book-learning, some knowledge, more or less, of the classical languages. In short, with regard to people in general one does not depart very far from the truth in saying that, however they may differ in the shades of meaning they attach to the word, they always look upon it as in essence literary. Literary attainments, it must freely be granted, are in their own place excellent. But they do not constitute an education proper. They go to make up education, but they only go in that direction.

A man may have a wide literary knowledge and be of very little use either to himself or to the world at large. Education means the development, the strengthening, and the perfection, so far as anything human can attain perfection, of all man's powers. Education, to be complete, must be intellectual or mental, moral, and physical, including in the latter technical education. By intellectual or mental education is meant what is generally understood by the words "a liberal education." By moral education is meant not merely instruction in proper conduct—in ethics, in short—there is implied very much more; there is meant the training of character. And by physical education there is meant not simply such exercises as are necessary to ensure health—there is meant very much more; such as the training of all the physical organs, and especially of the eye and the hand, and, in addition, that physical training calculated to increase the efficiency of men and women in their work in life. Now the men who established the British system of education in India neglected both moral and physical education altogether, and instituted only literary education; or, if that is too absolute a statement, at all events they established a system which is so mainly literary that it almost leaves in the shade everything else. Those men, it is to be recollected, were not educationists. Probably they had never given serious thought to the question of education until they were called upon to establish an educational system in India. Therefore, it is not surprising that they took for their model the system of which the great public schools and the two older universities of this country are the apex. They were themselves, most of them, public-school men, and many of them university men. What they found in England they considered to be absolutely the best; for had not England established a great Empire all the world over? Has she not even annexed India? Was

there need for further proof that whatever existed in England must be the best in the world ?

Now the English public-school and university system was, in its inception, most excellent. There is no question that the great men who were the founders of Oxford and Cambridge had an exceptionally clear view of what education ought to be. It will be recollected that most of them were Churchmen of high rank, and that their main object was to provide means for supplying the Roman Catholic Church in England with competent priests. Therefore, they established a system which gave, according to the ideas of the time, the best possible general education, and they supplemented that with instruction in theology. As a matter of course they accepted Latin as the basis of all learning. It was the language of the Church. It was the language which enabled a man to feel at home wherever the Roman Catholic Church prevailed. It had been the language of the great Roman Empire, which had maintained peace and civilisation throughout so large a part of the world. Lastly, it was the language in which all the knowledge then known was enshrined. The introduction of Greek was a much later thing. Furthermore, science hardly existed ; at least, what we generally understand by science when the word is used at the present time was entirely unknown. Such science as then existed consisted of mathematics, logic, and philosophy. The founders of the great universities in this country and upon the Continent included not only Latin but those sciences in their curricula, and taught them by and with Latin. It is clear that in the times which we talk so glibly of as the benighted Middle Ages there was a truer conception of education than existed throughout the greater part of the nineteenth century. Indeed, in the nineteenth century education in England was at an exceedingly low ebb. When that century began no provision of any kind had

been made for the instruction of the poor. The lower-middle classes, and indeed the upper-middle classes also, to a great extent had to provide for themselves such schooling as they thought absolutely indispensable. The Government did nothing to help them in any way. The endowed schools and the universities, with their groups of colleges, existed mainly for the rich. They had been founded, as has been said, mainly for the poor, to train priests for the Church. The great economic, political, and religious revolution, the principal stages in which in this country are marked by the Wars of the Roses, the semi-absolutism of the Tudors, the Reformation of the Church, the destruction of the monasteries, the turning of rural England into a great sheep-walk, and the Poor Law, with the Law of Settlement, practically deprived the poor of all the advantages which pious founders had intended for them, and made the great schools and the universities, to all intents and purposes, appanages of the rich. The universities, and particularly the colleges, set themselves deliberately to attract the sons of rich men, who could pay large fees and who had no intention either to study seriously or to devote themselves to professions. At the two great universities, therefore, education languished, and perhaps in the early part of the nineteenth century it was at its lowest ebb. By tests the universities repelled the Catholics, the Nonconformists, and the Jews, and thereby made themselves little more than sectarian institutions. Largely as a consequence of all this the bulk of the middle classes looked upon education with contempt. During the second half of the eighteenth century and the early part of the nineteenth they had been able to build up a manufacturing industry surpassing anything previously seen and unprecedented in most of its features, and they had done this without the aid of the great schools or universities. Therefore, they very

naturally concluded that the education of the schools and universities was of no practical value, a conclusion which was strengthened by their experience whenever they employed young men who had passed through the universities, for they found them useless in business.

It was this perverted and emasculated travesty of education which was taken as its model by the Indian Government. Practically, as has just been said, education in England at the time was conducted for the benefit and convenience of the rich only. Perhaps, therefore, it was not unnatural that men trained under such a system should ask themselves, Why not, therefore, confine education in India to the rich also? Furthermore, education in England was practically only literary. Why not, therefore, adopt a purely literary system in India likewise? The result has been altogether unfortunate. The present unrest in India, no doubt, is due to many causes. But there is no question that it has been aggravated, extended, and made more bitter by a false system of education, which has turned out, and is turning out, multitudes of young fellows quite unfitted for the only work that will be offered to them. These young men have received an education which qualifies them for nothing but the professions and Government employment. There is not room for more than a small proportion of them either in the professions or in the Government offices. Those who fail in their search for a livelihood, therefore, are filled with a bitter resentment, and hence we see that the preachers of sedition, and, most frequently, likewise, the agents of murder, are students, or have been students, at the Government colleges and universities. It has already been shown at some length how extremely poor the people of India are. Only 2 per cent. live in towns having 100,000 inhabitants and over. All the remaining 98 per cent. live in comparatively small towns or villages,

or in the rural districts. Moreover, three-fourths of the whole population live directly or indirectly by agriculture. Furthermore, the rate of wages in the agricultural districts varies from a minimum of less than 2s. 6d. per month up to a maximum of £1 per month. Lastly, India, with its population of more than 300 millions of souls, imported during 1909-10 goods of all kinds of no more value than £112,419,151, being little more than 7s. 2d. per head of the population. Bearing in mind the poverty to which all this bears testimony, it surely ought to be obvious that a country so circumstanced cannot possibly give employment to the number of merely literary students turned out of the schools and universities every year. There plainly is no want for a multitude of professional men. The whole system, in a word, is based upon a misconception both of the condition and of the needs of India. What she really wants is a system of education that will raise the whole body of the people, will fit them to work more efficiently than they can work at present, and will thereby enable them to pay or to earn, as the case may be, better wages. More particularly, there is wanted technical education for the three-fourths of the people who live by agriculture. Just think what it would mean if we could materially increase the purchasing power of the people of India. It has been said above that in 1909-10 the total value of the imports into India were only £112,419,151, which, allowing for a population of over 300 millions, amounts to little more than 7s. 2d. per head. Of course, it is to be remembered that the Indian people retain a very large part of the production of India. In the same year, 1909-10, the total exports amounted to £134,016,721, being somewhat over 8s. 6d. per head of the population. Of this total a large part was absorbed in paying the external liabilities of the country, and in buying gold and silver and precious stones for hoarding. The remainder purchased

the commodities consumed by the population. Such an export is miserably small.

Suppose we could increase the productive power of India so that she was able to increase her exports by 50 per cent., she would be able to buy much more freely from the outside world. She would, for one thing, give an immense stimulus to the cotton trade in Lancashire—for India is one of the great customers of Lancashire. Therefore, even looked at from the most selfish point of view, it would be an enormous benefit if we could increase materially the productive power of India. But this study has been instituted not for the purpose of considering means of stimulating the trade of any one particular portion of the Empire. The object is to find out how the welfare of the whole Empire can be augmented. Obviously, if the production of India could be increased 50 per cent., the producers would immediately be able to raise their own standard of living, and they would, likewise, be able, finding that their production was increasing so greatly and that there was a free market for it, to offer better wages. Thus the welfare of all classes would be increased; and it would be increased not artificially, as the Tariff Reformers propose, by sticking on duties which would raise prices, and, consequently, add to the cost of living; it would, on the contrary, tend to lower the cost of living. For by making labour more productive it would not necessitate the employment of more labour to keep up the present production. It would get more production out of existing labour. As that became evident employers would wish to increase the number of their labourers, because the profit would have augmented so much, and as they bid against one another for more labour they would raise the wages they offered. It is unnecessary to dilate further upon this matter. It will be plain to every reader. But it is perfectly obvious that

if we are to make labour more efficient we must endeavour to teach the whole population, including the labourers, and not, as hitherto, confine our attention to those who are deemed worthy of a literary education. The education, so far as the bulk of the people is concerned, must be elementary, of course, but it must also be technical. India at present is suffering from two diseases—extreme poverty and widespread political unrest. The extreme poverty is the result, of course, of historic causes, which it would take too much space and too much time to trace. But there is evidence in the recent history of Prussia and Japan that those causes can be counteracted and the scale of living of the people can be raised by, amongst other things, and first of all things, a really sound system of education. The really sound system of education, however, must be provided for the whole body of the people. It is important, of course, that all classes should be highly trained—not merely the workers, but the capitalists also. But there cannot be material relief to the poverty of India until the poorer portion of her people are given a better education. In its turn a better education will lessen, if it does not root out, political discontent—at all events, political discontent of the dangerous kind. A healthy discontent which spurs men on to additional exertion is always desirable. But a discontent which refuses to admit the share of those who feel it in the general evil and tries to take vengeance upon its rulers is an unhealthy sign, and can but bring mischief on the country where it prevails. A really sound system of education would open the eyes of the people to the fallacy of sedition; would lead them, it may be hoped, to co-operate with their rulers; and would gradually bring about a better state of things, political as well as economic.

Everybody who thinks about the matter is aware that education of the right kind makes people more efficient

for the work they are intended to do. So generally is this recognised that special provision is made for all the great professions, and that even for handwork apprenticeship was instituted. It is unnecessary, therefore, to dwell upon the importance of education as a means of enabling the people of India to augment the value of their work, to give satisfaction to those who purchase it, and generally to get a better position in the markets of the world, all of which, if gained, would raise them in the scale of living. Over and above this, we have in the recent history of Prussia and Japan striking proof of the influence for good of a really sound system of education upon the character of a people. When the modern Prussian system was established Prussia was in the grip of her French conqueror. How immensely Prussia has risen since then everybody knows. Moreover, the Prussians and the Germans generally have acquired a world-wide reputation for hard, accurate, and painstaking work. They endeavour to be thorough in everything they undertake. And to a large extent the world acknowledges that they have succeeded. Again, in the case of Japan, when Commodore Perry compelled that Power to throw open her ports to the rest of the world, she had been isolated for centuries. Japan lived out of the world, and her whole organisation was somewhat similar to that of a European State of the early Middle Ages. The Japanese now have almost as high a reputation for thoroughness in everything they do as the Germans themselves; and, what is more remarkable, a people who little more than half a century ago refused to have any intercourse with foreigners are now taking an exceedingly high place in international commerce. They are great manufacturers, great carriers, and great colonists. Their extraordinary success in war is less striking than the advances they have made in peace, for the Samurai, who are the leaders of the population, had cultivated chivalry

to a very high pitch. But trade was rather looked down upon, while foreign trade was actually forbidden. Yet not very long ago a successful and experienced German merchant publicly stated in an address in Germany that the Japanese are the most formidable competitors of German traders, not only in Chinese markets generally, but in the markets of the Chinese province which Germany has appropriated. We have in these two remarkable instances the most conclusive proof that a really sound system of education does influence the character of a people so profoundly that it almost seems to have completely metamorphosed it. That being so, it is plainly the duty of the Government of India to extend to its subjects the advantages which their Governments have provided for the people of Germany and the people of Japan. If the Indian people were soundly educated they would recognise as keenly as anybody else the folly of the kind of unrest which exists in India at present, or, at all events, of that form of unrest which manifests itself in political assassinations, and they would set themselves to work with such determination that in a very short time they would change the whole face of the country. In some respects India is a very poor country. Indeed, it may even be added that it has not very great natural resources. Still, the condition of the country might be raised to a high level. It is to be borne in mind that the natural resources of Germany are not very great. Neither are those of Japan. Yet within forty years the wealth of Germany has increased so amazingly that a great Party amongst ourselves is inviting us to follow her example and adopt Protection. In the case of Japan the progress being made is even more remarkable. The population of Japan is increasing at such a very rapid rate that either new settlements had to be acquired or nobody could foresee what would have happened. It is certain that Japan itself did not offer a sufficient field. Yet she

has made an amazing advance and she has annexed most valuable territory. What has been done by Germany and by Japan can be done also by India if she is guided by her Government as the two great peoples just cited have been guided by their rulers. There is no question at all that guidance must be mainly through a thoroughly sound system of education. Of course, it is objected that the cost would be too great. That is a matter that will be discussed more fully by and by. Here it is only necessary to remind the reader that after Jena the condition of Prussia seemed far more desperate than the condition of India at the present time, and yet those who had the destinies of Prussia in their keeping were not frightened by the fear of the cost from founding a great and sound system of education. Again, when the rulers of Japan determined to cast away their native civilisation and their native institutions, they were not frightened by the fear of the cost from adopting European education and European institutions. Everything that is worth having in this world costs a good deal of money. But in the result it is found that the cost has been an exceedingly good investment, and that the profit yielded gives far more than a good recompense for all the outlay, all the labour, and all the anxieties. Above everything, what recommends sound education in India is the fact that it is desired by the representatives of the Indian people themselves in the Viceregal Council. If India did not desire the best possible education and was utterly unwilling to face the cost, it would, indeed, be a venture-some thing to adopt the policy in the teeth of Indian opposition. But when the elected representatives of the people themselves call upon their Government to face the cost, all sound policy recommends that the call should be acted upon.

CHAPTER XX

INDIA—(*continued*)

It has been shown in the last chapter, it is to be hoped to the satisfaction of the reader, that those who introduced the present pretence at education into India completely misapprehended the requirements of the country and established a system which is utterly bad, were it for no other reason than that it is too exclusively literary and leaves unregarded and unprovided for the great body of the Indian people. Here it is proposed to deal with other defects of the system. In approaching them it may be well once more to remind the reader of the fact that the reformed Viceregal Council of India has demanded an improvement and an extension of education, and therefore has pledged itself to find the means. This is the most hopeful sign that India presents at the present day. It shows, in the first place, that the leading men in India, the men in whom the great majority of their fellow-countrymen put their trust and send as their representatives to Calcutta, rightly diagnose the ailments from which India is suffering. Moreover, it is of good promise, since it gives assurance that the most influential Indians are willing to pay for an improved education. It must frankly be admitted that a foreign Government might well hesitate to increase the burdens of administration upon a people so miserably poor. Therefore, it is easy to understand why education in India has been so backward up to now. But when the leading men of India in the very first session of the reformed

Council of the Viceroy demand improvement and extension, the plea of expense ceases to have any force. Without more ado, then, let us pass on to consider some other aspects of the present condition of education in India. To begin with, the population of British India—that is, of the India which the Governor-General directly administers—amounted at the time of the Census of 1901 to 232,072,832. The population of England and Wales at the same time amounted to 35,348,780. If the reader will turn to the Civil Service estimates for 1910–11, he will see that the Board of Education asked altogether for a sum of £14,064,677. It will be recollected that this does not include all the expenditure on education; for example, it does not include the incomes derived from the properties belonging to Oxford and Cambridge, nor from those belonging to other educational institutions, nor even fees. Leaving that out of account, however, for the moment, let the reader note that for a population of 35,348,780 in England and Wales the expenditure by the Board of Education amounted to £14,064,677, while in India we have immediately subject to the administration of the Viceroy a population of 232,072,832, and for this vast population in the year 1907–8 the sum expended upon education amounted to only £4,018,764. Thus, while the population of England and Wales was, in proportion to the population of British India, only 15·2 per cent., the expenditure of the Board of Education alone upon education was in the year quoted 349·9 per cent. that of the whole Indian educational expenditure. In other words, the expenditure of the Board of Education alone, leaving out of account, that is to say, endowments, fees, and so on, is 7s. 11·49d. per head of the population, while in India the entire Governmental expenditure upon education is little more than fourpence per head of the population. Or, to put it differently, the expenditure

per head is in England $22\frac{1}{2}$ times more than in India. Of course, we have to bear in mind the extreme smallness of salaries in India, and that, consequently, except in the case of European officials, money goes very much farther in India than in England. Still, the disparity of expenditure to population is sufficiently glaring to require no further words. There needs, then, a very large increase of expenditure. Before the recent reforms the Indian Government, while acknowledging how insufficient was the provision made for education in India, always justified itself by pointing to the poverty of the country. There was great force in the argument. The present writer, though he, when discussing the question, recurred again and again to the argument that India was suffering mainly from want of a good system of education, yet frankly admitted that foreigners governing a country so different in almost all respects from their own might well be excused for hesitating to increase the cost of government on the subject people. That argument, however, as has been said above, is happily disposed of by the action of the Viceregal Council. It is to be hoped, then, that funds will be found for greatly extending education in India. A very much larger number of schools will have to be built. The money for building them clearly ought to be borrowed. The building of schools is in reality a capital expenditure. It is just, therefore, that as the schools are intended to serve for relays of boys and girls for many years to come, the paying for them should be spread over many years. But great care ought to be taken that the schools shall be suitable for the purposes for which they are erected. We at home are discovering now, to our cost, that in the past schools were built quite unfitted for their purposes. This, perhaps, was excusable before 1870. But even the London School Board committed grave mistakes in its early days. It is to be hoped, then, that the Indian Government

will take very great care that every school built in India shall be adequate for its purpose, and therefore may reasonably be expected to last for very many years.

After all, however, the building of multitudes of schools and the resultant extension of education are only small matters. What is essential is that the education when given shall be thoroughly sound. Now, it is hardly possible to express in moderate and becoming language the badness of the Indian system of education. It has been shown already that it is altogether too literary. What is really required is an education as scientific as the circumstances of the pupils will permit, and as largely as possible technical. It has also been shown how large a proportion of the population of India is, either directly or indirectly, dependent upon the land for a living. Therefore agricultural education should be the first provision made. In the towns there should likewise be technical education, but of a different kind. Everywhere the object should be to fit the boys and girls for the work they will have to do in life. But the literary character of the Indian system is the least of its faults. It is conducted in the higher grades almost entirely through the medium of the English language. Is it possible to conceive anything more grotesquely absurd than to call upon young children to learn through the medium of an unknown language? If a present-day satirist introduced such a system in a new "Robinson Crusoe" we should all laugh. Yet the Indian Government of the present day is actually instructing the youth of India through the medium of a language which they have to learn. Of course, we do not mean that English should not be taught. On the contrary, it ought to occupy a very honourable place in the curriculum of every teaching institution, not only because it is the official language of the whole Empire, but still more because

it will, unless some great catastrophe befalls us, in a very short time be the commercial language of all the world. The Indian quite ignorant of English would be at a hopeless disadvantage outside his own country, and even at home he would be heavily weighted. But there is a great difference between making English the vehicle of instruction and giving it an honourable place in every educational curriculum. All the world has seen in the cases of Prussia and Japan how wonderfully rapid was the change effected by a really sound system of education. After Jena, as has been so often observed, Prussia lay under the heel of Napoleon. At the end of two generations she had compelled the smaller states of Germany to accept her leadership, she had expelled Austria from the Germanic Confederation, and she had partitioned France and held her to ransom. In short, in about sixty years Prussia had become the greatest military Power in Europe. Furthermore, under Prussian leadership, since 1870 Germany has grown at a rate that has amazed all the world, Germany included. Again, it was in 1856 that a small squadron of United States ships compelled Japan to open her ports to other countries and come out of the isolation in which she had wrapped herself for over two centuries. Since then, it is unnecessary to remind the reader what wonders Japan has accomplished. She has got rid of the Shogunate. She has abolished the feudal system. She has restored the sovereignty of the Mikado. She has created an army and navy second to none in the world. She has challenged even so mighty a European Power as Russia to single combat, and in a campaign of the first magnitude has won every battle in which she engaged. We have, then, in the example of Prussia and Japan ample proof that in an incredibly short space of time the whole character of a people can be changed. They can be raised to a height of greatness that they themselves never previously

dreamed of, and they can increase in prosperity in a manner that nobody would have believed possible had it not been accomplished before our very eyes. Consequently, if the Indian Government will, in this respect at all events, welcome the co-operation of the new Councils, will take their advice, and enter upon a great policy of educational reform, will, furthermore, do everything possible to bring education within the reach of the young of both sexes and of all ranks down to the very humblest, it is impossible to set a limit to the magnitude and beneficence of the results that will follow. That the Indian intellect is an exceedingly high intellect nobody can doubt. Therefore, if it is given the proper opportunity it is certain that the progress of India will be at least as rapid as that of either Prussia or Japan. With the progress of the people, intellectual, technical, and moral, there will be a great increase in wealth. As soon as the young people trained under the new and improved system begin to come out into the world of work and enterprise the improvement will commence, and each year that passes afterwards will see it increase in geometrical progression. Moreover, as the work will be the joint work of the Government and the elected Councils, a new feeling with regard to the Government will spring up. Loyalty will take the place of suspicion and distrust, and all will be encouraged to put forward their best efforts.

In addition to the subjects which, as a matter of course, would be taught in Europe, there are two which, in India, ought to receive special attention. They are thorny matters, it must frankly be admitted, for Indian opinion is still largely in the theological stage, and therefore the teaching of what is about to be proposed may be looked upon with great suspicion. The first is that, where possible and as far as possible, the youth of both sexes should be led to understand that Nature works by

law; that in attempting to fight plague the Government is not setting itself in opposition to the Divine will; and that in introducing sanitation it is not invading the sanctity of the home. The Indian people at present are in that intellectual stage in which the Israelites were when they conceived that the taking of a census brought down the wrath of God upon them, and in which European countries were in the Middle Ages. In other words, they believe that drought, and famine, and plague, and other natural calamities, are manifestations of Divine anger which should not be resisted. As long as this state of mind lasts real progress is impossible. Therefore, the Indian people should be brought to see that drought, to take one example, is but the result of causes which are operating perhaps thousands of miles away; and that, to take another example, plague is but the result of dirt in the wrong place. From this they should be led on to recognise that it is as much the business of man to counteract as far as he can the operation of these injurious natural causes as it is to provide food for himself and his family. The second thing which is imperatively necessary in India is that some notion should be given to the young of the nature of their own bodies. It is a matter that is grievously neglected at home. It is not very long since a number of eminent medical men pointed out how necessary here in England is some instruction in elementary medicine, and everybody who read the paper knew that what the doctors said was absolutely true; that few of us are brought up to understand what would prevent disease and what brings it on, and that from the highest to the lowest a different teaching in regard to our own bodies is required. But if that be true here at home, how much more true is it in a country like India! Unfortunately, the very greatness of the necessity for a change of teaching in India makes it all the more difficult. Here at home we have, happily,

escaped from most of the old superstitions that hampered improvement at every step. We are more tolerant. We are more ready to listen to those who speak with the authority of knowledge. We are less apt to suspect irreligion and revolution. In India it is different. Therefore it must be admitted fully that it will require great care in touching upon these matters. But it is the business of those who undertake the government of mankind to overcome difficulties. If all the rulers of the world needed to do was to look wise and imposing and draw their incomes, we could all of us undertake great responsibilities. But the duty of a Government is to fight difficulties. Therefore, it is incumbent on every one who undertakes to point out what is necessary to be done in India to urge this matter, for until we have induced the Indian people to understand that dirt and overcrowding and improper feeding will certainly bring disease we shall not make them either a healthy people or an efficient people. Neither shall we be able to reduce the cost of government in departments where care on the part of the whole community would of itself reduce cost. Lastly, we cannot hope to put an end to the unrest and the discontent which are now racking India.

Those who have lived longest in India will probably be the least ready to fall in with the recommendation which has just been made. They will point out, with absolute truth, that the Indian people are exceedingly religious, that they are passionately attached to their beliefs, and that nothing would be more likely to drive them into insurrection than any Governmental action which would appear to them to be an attempt to tamper with their faith. The Government, indeed, is itself so profoundly impressed with the correctness of all this that it has refused to introduce any form of religious teaching in the schools in India. And if the Government

shrinks from giving any kind of religious teaching, much more, it may be urged, ought it to avoid teaching what may appear to the Indian people to be a tampering with doctrines sacred in their eyes. There is very great force in all this. It would be the height of madness, indeed, to teach the subjects referred to above in a manner that would appear either to the children, or to their parents, as an attempt to break down their beliefs. But there is no need that either subject should be taught in an aggressive spirit, or in a manner that even to the most suspicious would seem to be likely to shake the faith of the people in any doctrine of their religions. It is impossible to teach English as it is taught in the higher schools and colleges throughout India without, in fact, impressing upon the readers that drought, famine, and disease are all due to natural causes, and can, to a very large extent, be prevented. More still, the practice of medicine cannot be carried on without, in effect, telling the people that disease is curable, and, therefore, that there is nothing irreligious in attempting to cure it. Whether the subjects referred to above can or can not be safely taught depends entirely upon the manner in which the teaching is given. There are types of men and women who make such teaching an excuse for direct attacks upon the beliefs of their pupils. There are others who have the capacity for teaching and who can instruct youth in such matters without in the least undermining their faith. As matters are at present such teaching is, of course, impossible. It will be in the recollection of the reader that only a few years ago the President of the Board of Education had to admit to a most influential medical deputation that the subjects recommended by them could not be taught at present in our elementary schools here in England because of the utter ignorance of the teachers themselves in such matters. The teachers in India are, if possible,

more ignorant than the teachers in England. And, therefore, it is, as a matter of course, quite impossible to introduce the teaching immediately ; it will have to be prepared for by first training the requisite teachers, and, during their training, instructing them in the matters relating to health and the like which they shall be expected to teach afterwards. In a discussion such as the present, it is not possible to restrict recommendations to what is instantly possible. This inquiry is into the best means of raising the purchasing power of the peoples of all parts of the British Empire. Notoriously, the peoples of all parts of the British Empire are not prepared at once to put into practice every principle calculated to attain that end. But that is no reason why the best means should not be carefully pointed out and an appeal should not be made to the supreme Government, and to the local governments, to act upon what is proved to be the best means when occasion offers. India suffers terribly from ignorance regarding the action of natural causes both upon agriculture and upon the human body. If she is to be raised in civilisation that ignorance must be removed. But, as a matter of course, the Government and its servants must observe judgment and caution in removing the ignorance, and particularly must take special pains that those who are employed to remove it shall be carefully trained for the work for which they are intended.

CHAPTER XXI

INDIA—(*continued*)

ASSUMING that the Indian Government recognises fully its duty to those subject to its administration and proceeds without avoidable delay to establish a sound scientific system of education, it must be frankly recognised that it will have serious and exceptional difficulties to encounter because of the lack of competent teachers. In every country, when a proper system of education is introduced, the training of teachers is found to be a slow and difficult process. In India it will be exceptionally so, because native Indian education differs altogether from the system which a British Government is bound to introduce, and because, therefore, there are at present so few teachers of any kind that it will be a very arduous task to supply the void, and it will take a long time. It is only fair to the Indian Government to recognise this early and fully, for reformers at all times and in all countries are proverbially liable to become impatient, and often through their impatience they impede rather than advance the cause they have at heart. That being so, it is desirable that all interested should clearly recognise, firstly, that the education ought to be extended to every class in the community, from the highest down to the very lowest ; secondly, that it is absurd to try to teach children by means of a language they do not know—a language which they have first to acquire before they can begin to learn the things of real importance ; that, therefore, and thirdly,

the education must be through native teachers ; and that, lastly, to get together and properly train the great body of teachers which will be required will be not only a difficult and a slow task, but will also be a costly one. There are, however, no means of avoiding the cost. The education must be by means of natives, partly because the teachers must be able to make themselves readily intelligible to the children they are instructing, and partly because the cost of teaching through Europeans would be quite intolerable. Over and above this, great care must be taken, if the labour and the money spent upon training the teachers are not to be wasted, to make sure that those admitted to the training institutions are possessed of the qualities which fit them for the work for which they are about to be prepared. In the first place, they will require a much better education than those they are intended to teach. In the second place, they ought to have the requisite character ; especially, they ought to have sympathy—the sympathy which would enable them to enter into the difficulties of the child, and to help the child over those difficulties by explanations intelligible to him or her. As has been said before, sympathy is more indispensable even than knowledge, though it need hardly be added that both are requisite in the highest degree. Still, a teacher with real sympathy will be able to get on better, even though he or she has not great knowledge, than another teacher with infinitely greater attainments but wanting in sympathy. Of course, the system of training teachers ought to aim at giving the knowledge sufficient for the work they are to do. But it is still more essential that only persons with the requisite sympathy should be admitted to the training-schools, for, it cannot be repeated too often, sympathy is more indispensable than knowledge. Perhaps for the successful teaching of children the qualification most important after sympathy is a

good method. In former times no regard was paid to method. It was taken for granted that if a person had a certain amount of knowledge he or she could impart that knowledge to children, and much of the backwardness of the world is due to that grave mistake. As a matter of fact, there is perhaps no business in life more difficult than teaching the young. Indeed it may well be doubted whether there is any so really difficult. Knowledge goes but a very short way, for knowledge may be accompanied by impatience and bad temper, which both frighten the child and make it impossible for him or her to learn. The impatience and bad temper, no doubt, often result from the teacher's recognition of his own incapacity to make the child understand what he is professing to teach. In other words, they arise from his want of method. Consequently, if the teaching is to be efficient there must be a good method. All this—the training of character, the imparting of knowledge, the instruction in method—implies a long period in the preparing of teachers. Therefore we must not expect too early a solution of our difficulties in India. We must recognise that the Government must proceed carefully, and, therefore, slowly, and that a great change will be effected only after a considerable number of years. But when the teachers are trained, when the school buildings are erected, and when the children are not only got into the schools, but are really educated, then there will be observable an extraordinary change for the better.

The necessity of patience has so far been dwelt upon to enable the reader who has not given special study to the subject to understand readily that the Government ought to assist education, and, indeed, to prepare the way for it, by other measures in themselves valuable, but yet not likely to attain great results without a really good system of education. It has been shown already that

three-fourths of the population of India live by agriculture, and that a very large proportion of the remaining fourth is supported by industries ancillary to agriculture—which, therefore, depend ultimately for their prosperity on the prosperity of agriculture; while a further portion live by industries which, if not quite ancillary, yet produce mainly for the agricultural classes, and, therefore, in turn are dependent upon agriculture. It follows that the prosperity of India really depends upon agriculture, and that, therefore, the first duty of the Government is to use every effort in its power for the advancement of agriculture. The general principle just laid down sufficiently supports what has been said. But it may be pointed out to the reader that just now there is special need for helping agriculture over a difficult time. The Indian Government has entered into an arrangement with the Chinese Government to gradually decrease, and ultimately stop altogether, the export of opium from India to China. The cultivation of the poppy is an important industry in certain Indian districts. It yields a livelihood to a large number of persons, and it contributes materially to the revenue of the Government. Therefore, the extinction by and by of so important an industry will not merely inflict very great loss upon the cultivators of the poppy and those employed by them; it will also inflict a loss upon the whole taxpaying community, since they will have to make up for the loss of revenue ensuing from the extinction of the opium trade. For every reason, then, it is clearly the duty of the Indian Government to exert itself to the utmost to advance agriculture. It happens, fortunately, just now that a very favourable opportunity offers for the advancement of agriculture, which makes it incumbent upon the Government of India to lose no time and omit no exertion to turn this favourable opportunity to the best account. India is a large producer

of cotton, and has been from time out of mind. Since the latter half of the eighteenth century, however, the United States has become a much greater producer of the plant. Indeed, the inventions which took place in the second half of the eighteenth century, and which resulted in increasing beyond all expectation the growth of raw cotton in the Southern States of the great American Republic, not only enabled those States to outdistance India in the growing of cotton, but practically gave rise to the cotton industry in England, and ultimately to the cotton industry all over Europe. Ever since the latter part of the eighteenth century the United States has kept the lead. But there are signs now that the consumption of cotton in the United States is about to exceed the possible production of the United States. It will be in the recollection of the reader that the population of the United States is growing at an extraordinary rate—roughly, at the rate of about two millions of souls every year. Furthermore, the wealth of the United States is increasing at an unprecedented rate. Therefore, the consumers of cotton goods in the United States are being augmented beyond all anticipation. In addition to this, the rural population of the United States is not increasing at all as rapidly as the urban population. The manufacturing industries of all kinds, that is to say, are growing much more rapidly than agriculture. Nay, more, as the reader knows, the production even of food in the United States is increasing so slowly that there are not a few very able observers who predict that in ten or fifteen years the United States will cease to be an exporter of wheat and will become an importer. It is not necessary here to inquire whether the fear is well or ill founded. It will be enough to remind the reader that the fear is based on the fact that American farmers do not cultivate intensively. A very large proportion of them are given to cultivate without main-

taining the fertility of the soil, and then pass on to new farms. Consequently, whether the fear is or is not realised depends upon whether American farmers in general adopt intensive farming. But to return to the matter in hand: the reader may be reminded that the Southern States have now recovered from the devastation of the great Civil War and the economic revolution which followed consequent upon the emancipation of the slaves. Therefore, the South is not only becoming richer every day, but it is becoming also more manufacturing. Not only this, but the people of the South now desire a more varied production from the soil, as well as more manufacturing industry than formerly. They desire, in other words, to be more self-sufficing and less dependent upon the rest of the world. Consequently, the cultivation of raw cotton is not now regarded as so all-important as it was formerly, although, of course, its value to the South is fully appreciated. At the same time, while a more varied production of every kind is being aimed at, there is also a strong ambition that the South, which grows the cotton, should take a large part likewise in its manufacture. Therefore, the cotton manufacture in the South is making great progress. In a word, the demand for cotton goods is growing in the United States with the growth of population and wealth, and to meet that demand cotton manufacturing is extending throughout the Union and is being fostered by a prohibitive tariff. At the same time the cotton manufacture is growing also in all the other forward countries of the world. The result is that already the supply of the raw material, while adequate in years of good season, becomes short in years of bad season, and during the agricultural year 1909-10 the American cotton crop was very short. In addition to this, the Egyptian cotton crop was also very deficient. The result was that cotton manufacturing

all over the world was very injuriously affected. The reader is aware that not only had the mills of Lancashire to run short time, but that the millowners called upon the mill hands to submit to a reduction of wages. What is true of Lancashire is true, more or less, of every seat of the cotton manufacture.

To illustrate what has just been said about the production of raw cotton, it may be stated that statistics, published under the authority of the Liverpool Cotton Association on 15th September 1903, show that the total crop of the United States in 1865-66 amounted to 2,314,476 bales. In 1887-88, twenty-two years later, the crop amounted to as much as 7,017,707 bales. The year was exceptionally productive, but, making allowance for that, the figures strikingly show what exertions were made to stimulate the production of raw cotton during the two decades which followed the great Civil War, a period during which the South was almost entirely dependent upon the article for the recovery of its prosperity, and naturally, therefore, was straining every nerve to repair by its means the devastation brought upon it by its long and desperate struggle with the North. In 1908-9, twenty-one years later, the production had further risen to 13,825,000 bales. It will be seen that in the first twenty-two years here recorded the increase in the cotton crop of the United States was 203·2 per cent., whereas the increase in the following twenty-one years was only 97 per cent. Here we have clear proof that since 1887-88 the rate of increase in the production of raw cotton has been steadily slackening. Perhaps it will interest the reader if it be added that in 1866 the population of the United States was 35,469,000, in 1888 it was 59,974,000, and in 1909 it was estimated to amount to about 88,000,000, the increase in the first twenty-two years being 69·2 per cent., and in the subsequent twenty-one years 46·8 per cent. Egypt has become an im-

portant grower of cotton in the interval. Moreover, Egyptian cotton is of very fine quality ; so much so, indeed, that Lancashire uses practically only American and Egyptian cotton. Efforts are being made to stimulate the growth of the plant in the Soudan, a country which appears to be admirably suited for its production. There are other countries which grow, and still others which are capable of growing, cotton, but at present these do not count for much. Except the United States and Egypt, the only great grower of cotton is India. Indian cotton, however, at the present time is not suitable for Lancashire. The extension of the cultivation of cotton in Egypt has been very rapid, and has added immensely to the wealth of the country—has, indeed, contributed in a powerful way to that improvement in the condition of the people which has been witnessed since the British occupation of the Valley of the Nile. Recently, however, there has been a great set-back. The reader is aware that the Egyptian cotton crop of 1909 was a failure. Until it began to be gathered in it was thought to be one of the finest crops ever grown, and as there had been two exceptionally high Niles in succession the belief was held almost universally. But when the gathering in was completed it was found that the crop had been hopelessly damaged. There is no doubt, of course, that much damage was done by worms, but there is a belief that the two high Niles of 1908 and 1909, while so beneficial to Egypt in other respects, had not proved to be entirely beneficial to the cotton crop. There is, further, a belief that the growers of cotton have exhausted the fertility of the soil, not applying manures, as was desirable. The Egyptian Government is taking every means within its power to set matters right ; we hope with success.

The Egyptian cotton crop of 1910 was a bumper crop and fetched very high prices. It is to be hoped, therefore,

that the action of the Government has not only availed for once but will avail permanently. Still, the experience of the years just mentioned shows that just now a favourable opportunity offers, which, if turned to good account, may enable India to gain a better position in the cotton trade than she holds at present.

Indian cotton is said to be too short for the Lancashire mills ; and, consequently, is very little used by them, to the great loss of India. The growers of cotton in India are, like the whole population, ignorant. They do not readily understand the necessity for adapting their production to the requirements of their best customers. Consequently, they have lost all hold upon the great Lancashire market. Completely to enable them to get back a portion of the trade they will have to be thoroughly educated. But, as has been pointed out, it will take a long time and involve the expenditure of a great deal of money to build enough of schoolhouses, to train thoroughly enough of male and female teachers, and to get the boys and girls all over India into the schools, and to teach them properly. It will be unfortunate if India has to wait until all this is accomplished. It is possible, of course, that India never can grow cotton exactly suited to Lancashire requirements. But it is very difficult to believe anything of the kind. The Cotton-Growing Association could, no doubt, do a great deal if it were to interest itself in India. It is giving much attention to the matter in new countries, such as Nigeria, for example. It seems odd that it does not take greater pains with India. However, the Association, no doubt, has its reasons. In any case, it owes no special obligation to India ; and, therefore, is free to follow its own course. It is different with the Indian Government. It ought to interest itself very actively in the matter, and to seriously endeavour to enable India to compete with the United States and Egypt in the

Lancashire market. The Indian Government, of course, is doing a great deal for cultivation of all kinds. But it would be worth while to do more for cotton than it yet is doing. It is difficult to believe that a seed could not be found and could not be grown in India which would suit the requirements of Lancashire. The difficulty, no doubt, is to induce the cultivators to change their methods of cultivation. If they are to be induced to change them, they will need special official attention ; they will need to be supplied with the very best seed ; they will need instruction in the methods of cultivation ; and they will need most certainly a better organisation for selling. The Indian Civil Service is a small service, and it has a great deal to do. Probably it is not possible for it to undertake very much more work than it discharges at present. Therefore, it seems to the observer from a distance that it would be wise on the part of the Indian Government to create a special department for fostering the growth of cotton in India on improved lines. There would need to be special teaching, and there would need to be a special organisation of the market. It would pay India in the long-run, however, if it were able very largely to increase its growth of cotton, for the cotton trade is not only one of the greatest in the world, it is steadily growing, and is likely to go on growing for a long time to come. Moreover, the old hand-loom weaving has been killed in India, partly, by the competition of Lancashire, and, partly, by the growth in India itself of a great manufacture. It seems, therefore, as if the demand for raw cotton will continue for a very long time, and it seems for that reason incumbent on the Indian Government to do everything within its power to secure for India as large a share as possible of so great a trade.

CHAPTER XXII

INDIA—(*continued*)

As was observed in the last chapter, India has grown cotton from time immemorial, and furthermore, she had a flourishing hand-loom industry until it was killed by the competition of Lancashire. More recently there has grown up on a considerable scale in Bombay a manufacture of the modern European type. Practically, it may be said that the raw cotton now grown in India is manufactured almost exclusively in the country of its origin and in Japan. It is considered unsuitable for the Lancashire mills, the fibre being too short. It is somewhat used on the Continent, and it is used to a much smaller extent in the United States, especially in times when the American crop is deficient. But the consumption both of the Continent and of the United States is not sufficient materially to affect the welfare of India. Now it seems hardly credible that the Indian cotton plant cannot be improved in such a manner as to fit it for consumption in Lancashire. It is not meant, of course, to imply in saying this that it would be advisable for Indian cotton growers to neglect the Indian and the Japanese markets. Quite the contrary. It is their clear interest to cultivate those markets to the very utmost. But manifestly it would tend to make India more prosperous if she could grow for Lancashire and for the Continent, as well as for her own mills and those of Japan. The Indian people have neither the knowledge, nor the enterprise, nor the

wealth to understand the need for such a change in their mode of cultivation ; still less to carry it into execution. But it is in the power of the Indian Government to lead them to see how much it would benefit them to realise the policy, and, in addition, to assist them in carrying it out promptly and effectually. That being so, it is clearly, as already said, the duty of the Indian Government to set about the task without delay. What the Indian Government is doing at present is so entirely inadequate as to be little more than a beginning. If Indian officials will make themselves acquainted with what the Government of the United States is doing in this direction they will come to understand why the efforts of their Government are regarded as merely tentative. The American people are, perhaps, the most self-sufficing, the most enterprising, in a word, the most pushful in the world, and yet the Government of that people thinks it necessary to use its vast power for the promotion of their economic welfare. It does not, it is true, always use its power well, as, for example, in the case of building up an almost prohibitive tariff. But in other directions it is doing a marvellously great work. The same thing is being done with much success in countries nearer home, as, for instance, in Germany, Denmark, and Belgium. But it is desirable to especially direct the attention of Indian readers to what the United States is doing, because it is unquestionable that the people of the United States are among the most self-reliant in the world. If they, with a continent still so sparsely settled, with natural resources practically boundless, and with an energy that is the admiration of all who know them, feel that they need the help of their Government, how much more incumbent is it upon the Government of India to put forth really great exertions to raise in the standard of living a people so miserably poor as those who are committed to its care ? The research

the Government of the United States has organised and supports in regard to all matters pertaining to production, but particularly all matters pertaining to agriculture, is beyond all praise. It has already thrown light upon many obscure points. And it unquestionably contributes to the great progress the United States is making in all directions. The Government of the United States has not the means of acting directly upon its subjects which the Government of India has. It will be recollected that the Federal Government which alone is in touch with every part of the Union possesses only such powers as have been expressly delegated to it, while the State Governments, whose jurisdiction is immensely larger, have neither the organisation, nor the width of jurisdiction nor the revenue which would enable them to play a very great part. The United States Government, therefore, has to depend entirely upon educational methods, and chiefly educational methods through the publication of reports. The Indian Government has opportunities for helping its subjects infinitely greater than the American. It is in the fullest sense of the word the supreme Government of the whole Dependency. And it is practically absolute. It has not to respect State jealousies or State susceptibilities. It can adopt whatever policy it deems expedient in any part of India. And, consequently, it can improve the population just as the Governments of Prussia and Japan have improved their own subjects and helped them to rise in a surprisingly short space of time. It is the more incumbent upon the Indian Government to move quickly and to move earnestly because all enlightened governments are doing so, even, as has just been pointed out, the extremely democratic Government of the United States. The Indian Government has not yet freed itself, it is to be feared, from the influence of that individualistic notion that Government meddling with matters outside of giving security to life and property

is always mischievous. It was a doctrine that held full sway in this country a little while ago, and it could appeal to the support of the orthodox economists. Happily, however, it has lost a great deal of its hold upon public opinion here at home, and manifestly it is losing that hold more and more. After all, what is the Government but the representative and agent of the whole community? And is it not obvious that there are multitudes of things which the whole community in its organised capacity can do which no body of individuals, however wealthy and however well organised, can accomplish?

A Government can help to raise the intelligence and promote the general welfare of its subjects by two methods—the direct and the indirect. In Europe and the United States, outside of education, Governments, when possible, prefer to act indirectly by inciting, encouraging, advising, and assisting. That is to say, they wisely aim at enabling the people to help themselves rather than to do the work for the people. In a country like India, however, which for countless ages has been exposed to foreign invasion, which has seen foreign conqueror follow foreign conqueror, which has known to its cost the instability of the dynasties, empires, and institutions so set up, and in which, through misgovernment, distrust of rulers has become inveterate, it will probably be necessary for the Government at first to do much itself directly, and to trust to good education to ultimately bring forth enterprise and self-reliance. The advancement of agriculture can, of course, be brought about effectually only by a sound system of education, including in the latter word technical education. But as has been pointed out in a preceding chapter it is certain that to establish such a system will take much time. In the meanwhile the Government should not neglect the economic interests of its subjects. There are certain things which it is plain no body of subjects, however

enterprising, intelligent, and wealthy they may be, can carry through, as, for example, a complete investigation in the several parts of India into the nature of the soil and of the climatic conditions as they affect agriculture; what cultivation is each particular kind of soil best adapted for; and in what way can a change of cultivation be most smoothly and advantageously brought about. All this the Government can do easily if it employs an adequate expert staff. But only the Government can do it. In working towards that end the Government ought to establish experimental farms, not in a few cases, but in many cases, and in different parts of India, for the purpose not merely of teaching by example the way in which the land can be farmed to the best profit—a very important thing in itself, though not the most important—but much more with the object of ascertaining by actual experience the qualities of the various soils, the best uses to which they can be turned, whether arable or pastoral; if arable, the crops for which they are best fitted; if pastoral, the sort most suitable, and so on. Over and above this, the Government ought, simply because nobody else can do it properly, to provide the best seeds and the best seedlings for every kind of culture, and ought to supply them to everybody who is willing to take advantage of its teaching and assistance. In addition to this, it ought to experiment for the purpose of ascertaining whether industries not now existing can be profitably established, and more particularly whether there are materials for new industries in India itself as there proved to be in the case of the jute industry. Lastly, the Government ought to put itself in communication with other governments, and more particularly with British Governments, so as to keep itself abreast of the latest improvements of every kind. The Government should, of course, utilise the services of the provincial and local governments of

every kind so as to reach classes of the population not easily accessible to itself ; and it ought, likewise, to invite the co-operation of the rulers of the native States. Perhaps more important still is it that it should encourage the formation of agricultural associations throughout India similar to those associations which exist upon the Continent, notably in Germany and Belgium, consisting of the leading agriculturists of every district. The existence of such associations would enable the Government to convey to all classes of the community the knowledge which it had itself acquired. And what is not less desirable, it would be able to learn from these associations the needs of the several populations and the direction in which their thoughts were travelling. Having called into existence all these agencies it would, as a matter of course, keep them supplied regularly and as early as possible with its latest knowledge, not only of its own proceedings, but also of what was being done in other countries. It would furnish them, likewise, with periodicals, pamphlets, and books. And it would supplement all by travelling lecturers for the purpose of reaching those not in touch with experimental farms and the like. There is a question whether the Government should trust to the staffs of the experimental farms to lecture upon the agricultural needs or should send about travelling lecturers. The answer depends to a very large extent, at all events, upon whether the experimental farms are numerous enough in every part of the country. If they are their staffs would, no doubt, have greater weight than strangers coming for a short time to lecture. The staffs of the experimental farms would become known in their respective neighbourhoods, and if they were really fitted for their work they would gradually attract the respect and confidence of their neighbours. The matter of detail, however, is not worth more space in arguing out. The principle is the main

thing. No doubt many other countries warned by the deficiency of raw cotton at present, will exert themselves to take advantage of the opportunity offered. The Egyptian Government is doing a very laudable work. And if population continues to grow as it has been growing for some years past in the Soudan, the Soudan doubtless will in a comparatively short period take a high place as a grower of cotton. But India, as has been said so often, has been a grower of the plant from time immemorial; and, therefore, India seems to have an advantage over most competitors. True, her people are very ignorant. True, also, they are wedded to old habits. But old habits can be broken through, and the object of the education dwelt upon in the foregoing pages is to remove ignorance. If India, while catering fully for the needs of her own mills and of those of Japan, could likewise supply a considerable proportion of the wants of Lancashire, what an immense benefit it would be both to India and to Lancashire. India would be able to increase her exports hugely, and thereby to augment her imports, while meeting more easily the burden of her own external obligations. On the other hand, Lancashire, being able to draw upon India as well as upon Egypt and the United States, would be guarded far more completely than at present against the danger of seeing many of her mills working short time or possibly being idle. In other words, the Government of India, by improving, extending, and augmenting the growth of cotton in its own territories, would materially raise the welfare of its people, and at the same time it would benefit immensely Lancashire, and through Lancashire, the whole United Kingdom. One other thing the Government could do with immense advantage to agriculture in general and to cotton-growers in particular, and that is to provide all parts of the country with an adequate supply of light railways. Everybody who has watched the progress of

Belgium in agriculture is aware how great a part has been played by the construction of light railways, and it would be well worth the while of the Indian Government to send competent inquirers to Europe to study in Belgium and elsewhere the working of the light railway system and the principles of its construction.

In regard to wheat also there is a very favourable opportunity for increasing its growth in India. The population of the United States, as has been shown already, is growing so rapidly, while the food production is increasing so slowly, that many able observers fear that before many years pass the country will have to import a considerable proportion of its wheat. It is quite true that if American agriculturists would adopt intensive farming, they could easily double, and probably much more than double, their present production. But the question is: Will they do so? It would be out of place here to enter into the discussion of such a question. It is enough for present purposes to say that the fear exists that the United States will henceforward be able to spare a smaller and a smaller surplus of wheat for the rest of the world, and that as manufactures spring up in other countries and existing manufactures expand the demands of the older countries for wheat will augment. Wheat, however, is grown over a far larger part of the earth's surface than cotton, and as the surplus for export decreases in some countries it will increase in others, such, for example, as Canada and Argentina. There does not seem, therefore, much danger that for a considerable time to come the supply of wheat will become really short. Still, the fact remains that from time to time wheat is comparatively scarce, and, consequently, the price rises materially. For a year or two past the most forward countries have been passing through a period of comparatively scarce wheat; and, therefore, India has an opportunity to increase her supply. The

quality of Indian wheat used to be considered bad—too hard and too dirty. It has gradually much improved, and, no doubt, it is capable of further improvement. But India every now and then suffers from drought, which makes the persistency of her supply doubtful. The Indian Government has done much in the way of irrigation to guard against drought, and is doing still more. Some of the works being constructed at present are on a colossal scale. Indeed, too much praise cannot be bestowed upon the Indian Government for the far-sightedness and regard for the well-being of its people it has shown in respect to irrigation. It has expended immense sums upon irrigation works, and at the present time it is erecting works perhaps surpassing in magnitude anything in the world. It has not been as successful as could be desired in bringing the people to recognise the real solicitude it has shown for their welfare, and the immense advantage it would be to them if they were to pay the small sums necessary to ensure a constant and sufficient supply of water. The people never will recognise all this until they are properly educated. Therefore, the indifference shown by the people to the welfare of themselves and those dependent upon them in regard to irrigation is here adduced for the purpose of once more emphasising the need of establishing without avoidable delay a universal system of sound education. The Government, moreover, might make its irrigation policy more efficient than it is, if, as was suggested in the case of cotton-growing, it were to cover the country with a system of light railways. Any Indian official who doubts either their availability or their advantage should study the light railway system of Belgium. In still other directions there is a wide field of usefulness open to the Indian Government. There is no need, however, to enter into detail as to all the various ways in which it can best assist the agricultural population to

turn the land they occupy to the best advantage. Indications have been given above in the case of cotton as to some of the ways in which it can give most material help, and what has been said in those instances applies *mutatis mutandis* to the case of wheat and other products. When the requisite machinery is called into existence and officials get used to their new duties, they will recognise many other channels in which they can give an impetus to the improvement that they see setting in all about them. Besides, as education extends, and the interest of the people in developing the resources of the country is aroused, public opinion will call for action in many directions not now thought of. The material thing is, firstly, to establish a really sound system of education; and, secondly, to use the power of the Government for promoting both directly and indirectly the material prosperity of its people.

CHAPTER XXIII

INDIA—(*continued*)

INDIA, as has so often been remarked, is to all intents and purposes an agricultural country. Therefore agriculture claims the first and the best attention from the Government. But, of course, it is the duty of the rulers of the great Dependency to help those committed to their charge in promoting their well-being in every practicable way. With this object in view it is exceedingly desirable that industries for which the people of the country are fitted should be introduced as early as possible. It is to be hoped, however, it is unnecessary to enter into any lengthened examination of the ways in which that can be most effectually accomplished. The preceding pages have been written in vain unless it has been made clear that the Government should aim above everything at enabling the people to help themselves; that to attain that end it should above everything else have recourse to a sound system of education, and that when promoting private enterprise in any form it should aim at encouraging, stimulating, and assisting the people to do their own work, but should be very loth to do the work for them. It ought to be enough, therefore, to say here that the Government should be on the look-out for every opportunity to increase the well-being of the people in so far as the establishment of new industries is concerned. Although, however, the general aim of the Government should be to help the people to help themselves, there

are three directions in which the Government alone can work with effect. The people are too poor and too much without training in private enterprise to undertake the tasks about to be referred to, and yet those tasks are certainly not less urgently needed than any other lying in the way of the Indian Government, with the single exception of education, which stands pre-eminent. The first of the three ways in which the Government can give a great impetus to the prosperity of the country is by the construction of works of irrigation. India, as our readers know, is every few years liable to destructive droughts, which cause extreme distress over wide areas, not seldom deepening into actual famine. The Indian Government, much to its credit, has for many years been labouring to prevent such catastrophes by the construction of works of irrigation. Probably it has done as much in that way as its own circumstances and those of the country allow. At all events, it has accomplished a very great work, and at the present time it is engaged in vast operations which will not only afford the means to avert drought over extensive districts, but will also bring under cultivation vast tracts of what are now sandy deserts. It is unnecessary, therefore, to exhort the Government to action in this respect. It recognises the obligation upon it in the most practical way, and, consequently, there is room here for nothing but unstinted praise. At the same time, the fact is not to be blinked that very many are of opinion that the Indian school of irrigation has made a great mistake, and that the flooding of vast areas, whatever good it may do for a time, will ultimately prove to be injurious. Indeed, the reader is probably aware that flooding on the Indian and Egyptian scale is rejected by an important school of irrigationists who maintain that an entirely different system ought to be adopted. It is the business of engineers who have devoted long study

to the question to decide between the contending schools. The great public is incompetent to judge. Therefore, all that is necessary here to say is that the Indian Government has for very many years been engaged in constructing great irrigation works at very heavy expense, and that it is now constructing other works far larger and more imposing than any yet built. If the works under construction prove to be as beneficial as the Indian Government believes they will be, they will bring under cultivation a very large area and, therefore, will add considerably to the wealth of the great Dependency. Unfortunately, the Indian peasant does not recognise how much benefit the irrigation works are capable of rendering. At all events the peasants do not subscribe the small sums asked from them as universally as might have been expected, and, therefore, they do not escape the consequences of drought as they would do if they were better informed. As long as the peasants remain ignorant it is to be feared that they will continue to show this lack of foresight. Therefore, it is all the more incumbent to hurry as far as possible the introduction of a sound system of education. In the meantime, it ought to be possible for the Government, by travelling lecturers and by other means, to bring home to the people the folly they are guilty of in neglecting to secure themselves against the possibility of drought.

Next to irrigation, the most effectual way in which the Indian Government can assist its subjects in improving their worldly prospects is by the construction of railways. Every one who is familiar with the economic history of the world during the past two generations is aware of the extraordinary change that has been made by the introduction of railways. Even in our own country, which was the most advanced from an economic point of view of any of the older communities, the condition of the people between the close of the great revolutionary wars

and the construction of the main lines of railway in the forties of last century was most deplorable. Distress was very general, and the law in many places was openly set at defiance. The construction of railways, however, very soon put an end to distress and ushered in the most prosperous era perhaps the world has ever seen. Districts which before were too far removed from the great markets to be able to dispose advantageously of their surplus production, found it possible by means of the new facilities for transportation to reach the great markets, and in a very few years their prosperity marvellously increased. On the other hand, the great towns, in which previously the cost of living had been so high as seriously to restrict the growth of industry, now found it surprisingly easy to obtain all the food and raw materials required, and, consequently, there occurred a multiplication and extension of manufactures which seemed almost magical. Again, the construction of railways upon the Continent and in the new countries, followed soon after by the steamship, enabled the surplus populations of the older countries of Europe, which could not make a decent living at home, to leave in great numbers the overcrowded towns and countrysides of the old lands and to settle in the new countries. Thereby the growth of the new countries was stimulated in an undreamt-of way, and they grew into comparatively populous and powerful States in an almost incredibly short space of time. Party spirit has to a considerable extent prevented most people from recognising how very largely the prosperity of the world during the last two generations has been due to the introduction of the railway and the steamship. Any one who yet fails to understand the true facts can easily satisfy himself if he will study the condition of any portion either of the United Kingdom or of any other European country, with which he is really familiar, which lies at a considerable

distance from railways. He will soon convince himself that such district has been left behind in the march of progress, and that to a very great extent its condition represents a survival from a state of things which has long ceased to exist in the districts well served by railways. The foregoing preliminary statement has been laid before the reader to bring clearly before his mind the disadvantage at which India now is in the competition with more fortunately circumstanced communities because of her deficiency of railways.

Any one who will examine Indian statistics will very soon come to the conclusion that India at the present time is suffering grievously from the want of adequate railway accommodation. There are vast districts so ill-provided with railway facilities that it is almost impossible for the cultivators in them to send their surplus productions to the great markets. Consequently, in those districts agriculturists have very little incentive for increasing their production. Their neighbours, speaking generally, are agriculturists like themselves, and, therefore, want very little agricultural produce. Consequently, the population has fallen into a fatalistic, apathetic frame of mind. What good is it to increase production when it can be sold to so little advantage? The remedy clearly is to augment largely the number of railways. It is only fair to admit, at the same time, that since the Administration of the Marquis of Dalhousie the Indian Government has pursued the policy of opening up India by means of railways, and a great deal has been done in that way; but a very great deal still remains to be accomplished. Partly because of the extreme poverty of India, partly because of the paucity of very populous cities, and partly because of the absence of great manufactures, private enterprise has not been largely attracted to railway building in

India. Our country has supplied capital for railway construction to many countries inside and outside of the British Empire, but it has not done much in that way in India without a Government guarantee. Such guarantees have been given, and consequently the great main lines have been constructed. But the poorer districts have not, speaking generally, been opened up, and even the feeders for the great main lines have not been constructed in adequate numbers. In the United States, Argentina, and our Colonies railways have been built through sections of continents of vast extent, which were almost without inhabitants, in the hope, which experience has shown to have been well founded, that once they were completed they would attract hosts of settlers. But in India, in spite of the magnitude of the population, its orderliness, its laborious and thrifty habits, and the natural resources of the country, private enterprise has not been willing to risk its capital on the mere chance that the opening up of the country would lead to an outburst of new enterprise which, in turn, would be followed by a marked increase of prosperity, which would give to the venturesome capitalist an adequate return. This unwillingness to risk capital, no doubt, is explained by the lack of manufacturing and mining industries, and by the unenterprising character of the people. But whatever the explanation, the fact is there, and it not only enables us to understand the backwardness in this matter of the Indian Government, but it accounts, likewise, for the poverty of the country. To show how ill-provided with railway accommodation India really is it may be well to give such few statistics as are necessary to bring out the point here made.

Roughly speaking, the area of India is slightly greater than the whole of Europe outside the Russian Empire. In India the total population at the Census of 1901 amounted

to 294,361,056, and the population of Europe outside the Russian Empire, according to the censuses nearest in date, amounted to 282,386,677. Roughly, therefore, the area of India is somewhat larger than the area of Europe outside of Russia, and its population is also somewhat larger than that of the portion of Europe with which it has been compared. In general terms, therefore, it may be said that the density of population is about the same in India as in Europe outside of the Russian Empire. Yet in regard to railway accommodation the contrast between the two is most striking. It may be objected that the comparison is misleading because, in the first place, Europe outside the Russian Empire is, with the exception of the United States, and our own Colonies, the wealthiest and the most highly civilised portion of the world ; because, in the second place, leaving China out of account, Europe outside of Russia has the greatest cities in the world and the largest number of them ; and because, in the third place, manufacturing industry is highly developed in Europe, and, except in a few districts, is almost absent in India. Allowance, of course, must be made for these facts. But, on the other hand, the reader must remember that in the United States, in our own Colonies, and, indeed, in all the advancing new countries, railways have been built on a vast scale through absolutely unsettled districts in the belief, which has turned out to be well-founded, that settlement would follow the railways ; and, consequently, would give an impetus to enterprise of every kind which would result in a vast increase of wealth. Bearing all this in mind, the contrast in regard to railway facilities between the two nearly equal portions of the earth's surface which have been compared is striking in the extreme. The total railway mileage of India at the end of 1907, according to the Statistical Abstract relating to British India, was 30,010 miles. According to the

Statistical Abstract for the Principal and Other Foreign Countries the total railway mileage of Europe outside the Russian Empire at the end of 1907 was 137,198 miles. The European railway mileage outside of Russia, therefore, was somewhat over four and a half times that of India. In other words, if India were as well provided with railway accommodation as is Europe outside the Russian Empire, the railway network of India would at present consist of somewhat more than four and a half times 30,010, or, to put the matter in a somewhat different form, the railway mileage of India would slightly exceed 137,198 miles. Again, the United States, roughly speaking, is about twice the size of India, but the population of India is, in round figures, three and a quarter times as large as that of the United States. Taking the area first, if India were as well provided with railways as the United States is she would at present have, on the basis of area alone, half the mileage the United States has.

According to the Statistical Abstract for the Principal and Other Foreign Countries the total railway mileage of the United States at the end of 1907 was 227,455 miles. Therefore the Indian railway mileage, instead of being only 30,010 miles, ought to be at the very least 113,727 miles. But, as has been pointed out above, the population of India is about three and a quarter times that of the United States. Therefore, if we take the population test alone, the railway mileage of India ought to be three and a quarter times that of the United States, or 739,229 miles. Thus we come to the conclusion that at the very least the railway mileage of India ought to be 113,727 miles, and on the basis of population ought to be 739,229 miles. In either case it will be seen that the railway mileage of India is hopelessly inadequate. Lastly, to bring more clearly before our minds the utter inadequacy of railway

accommodation in India, let us take a third measure, namely, the railway accommodation of Great Britain—that is, of England, Scotland, and Wales alone. The area of Great Britain is 88,111 square miles. Therefore the area of Great Britain is only about one-twentieth that of India. Yet the total railway mileage of Great Britain is 19,746 miles, while the total railway mileage of India is only 30,010 miles. On the basis of area the railway mileage of India ought to be 394,920 miles. It would be wearisome to continue the contrast further. Enough has been said, it is to be hoped, to convince the reader that India is suffering greatly from the want of adequate railway facilities. India is, as has been shown already, an almost exclusively agricultural country. It is subject, as has been said above, to periodical droughts and famines. Manifestly, when these droughts and famines occur it would be an immense help in preventing the destruction of property and the loss of life if food could be moved rapidly and cheaply from every district having a surplus to every district needing additional supplies. Yet, in the absence of adequate railway facilities, it is manifest that the means of moving the surplus supplies cheaply and quickly do not exist. Furthermore, it need hardly be pointed out that districts not properly opened up by means of railways are inevitably condemned to poverty. If the cost of carriage, compared with the exchange value of an article, is too great, that article cannot be transported long distances without loss. Therefore, the agriculturist has no motive for getting the most out of his land, since he cannot convey his surplus production to the distant markets where he could obtain a profit on it. The absence of railway facilities, then, clearly stands in the way of a real advancement of agriculture in India.

India being an agricultural country almost exclusively, the influence of the inadequacy of railway accommodation

for agriculture is the most important point. But it must not be forgotten that inadequate railway accommodation tells sorely also against manufacturing industry. It will be in the recollection of the reader that one of the causes which won the support of the public to the agitation against the Corn Laws in this country in the forties of last century was the impossibility of feeding great masses of people in the large manufacturing centres. The shutting out of food and raw materials made the cost of living so high that the growth of manufactures was prevented. That the Anti-Corn Law League was right in the view taken on the matter was proved by the extraordinary expansion of manufactures immediately after the repeal of the Corn Laws, and the stimulus thus given to the growth of trade. Bearing all this in mind, it will be seen that the extreme paucity of great cities in India is, to some extent, at all events, an immediate result of the inadequacy of railway accommodation. To feed a large number of great towns and to supply manufacturers with the raw material that would enable them to give large employment requires the opening up of every portion of the country by means of railways ; and, as has just been shown, India is not opened up in every part by railways. On the contrary, the paucity of railway accommodation to those who have studied the subject and realise the consequences is appalling. Of course, it is to be borne in mind that private enterprise in Europe, as has already been pointed out, is not prepared to build railways on a considerable scale in India. Furthermore, it is not to be left out of account that India is an extremely poor country, and that the Government naturally has a grave fear of piling up debt. Lastly, it is to be recollected that the claims upon the Indian Government for all kinds of enterprises are very urgent and that the Government, therefore, must not be too strongly condemned because it has not provided

India with a more adequate railway system. It is due to the Indian Government that all this should be borne in mind. At the same time, it is incumbent upon every inquirer into the condition of India who desires to be honest to himself and to his readers to make quite plain what are the causes of the economic backwardness of India at the present time. The causes, as this inquiry has shown, are very numerous. But there can be no dispute that one of them, and certainly not the least important, is the inadequacy of railway accommodation. If every part of India was opened up there can be no doubt that more manufactures would have sprung up, and the growth of manufactures would have increased the purchasing power of the large towns. In turn, the growing prosperity of the towns would create an augmented demand for agricultural produce, and as agricultural production increased, the rural population would be in a position to buy more freely from the towns. Thus the increasing activity, first, of the towns, and then of the rural districts, would act and react upon one another, and would gradually greatly increase the general prosperity. Over and above this, it cannot be doubted that if there was adequate railway accommodation there would be a greater export from India than there is at present. Every economist knows that when a country like India has to meet large foreign liabilities exports are stimulated. Yet it has been shown that the exports of India, considering its size and the magnitude of its population, are quite small, amounting to only about eight shillings and sixpence per head of the population per annum. Clearly, therefore, the inadequacy of railway accommodation stands in the way of a growing export, and there are few ways in which a stimulus to prosperity could be given more quickly than by largely increased railway construction. The Indian Government is every year laying out large sums upon railway building. But the figures

given above show that Government action will be a very long time before it equips India with such a railway system as will enable her to compete successfully with her rivals unless the rate of construction is very greatly accelerated.

CHAPTER XXIV

INDIA—(*continued*)

PRIVATE enterprise, as has been said before, is shy of investment in Indian railway construction, partly because of the absence of great industries and very populous cities, but partly also, no doubt, because of the attitude to such enterprise assumed by the Indian Government in the past. Too many Governors-General have been utterly ignorant of business, and, therefore, have left to the permanent service the task of looking after the providing of India with railway accommodation. The Indian Civil Service, in its turn, is not very business-like. It is an admirable service in many ways. It is very public-spirited. It is very able. Altogether, in short, it has done a great work in India. But, in the first place, its members are selected from young men studying at the great schools and universities. They are sent out to India without any real knowledge of business, and, like most students, they have a suspicion of men of business, as governed by a code of honour different from their own, and in business matters altogether too smart. Furthermore, they inherit from the old "Company" days a habit of mind which few of them can ever shake off. To put the matter as shortly and as plainly as possible, they desire to promote the welfare of India in every way in their power, but from the old "Company" days they inherit the prejudice that the trader is not merely an interloper, but a person designing to prey upon the simple natives,

and, therefore, one to be rigorously guarded against. The consequence is that when the capitalist approaches them on the lookout for railway concessions they receive him with extreme suspicion. They fear that he wishes to "do" them, to use a colloquialism, and they are so anxious that the Indian Government shall not be "done" that very often they deprive India of a service of invaluable importance through their very anxiety that the Indian Government shall not be made to pay too much. The Marquis of Dalhousie was an exceptional man, who clearly recognised the urgent need for railway construction, and, consequently, the wisdom of granting the concessions which would ensure the carrying out of his ideas. Few of his successors have had his zeal for railway building. Lord Curzon was one of the few. He really did take a business-like view of the matter. He recognised that capitalists undertaking railway building in India naturally and necessarily expect a profit. Why else should they invest their money in the country? He accepted the fact as a thing inherent in human nature, and consequently he was much more ready to grant concessions of all kinds than any of his predecessors for a long time. It is to be hoped that the new Viceroy will take the same view—will recognise that the business man ventures his capital in the hope that it may give him a profit, and that he will not venture his capital, and the capital of those who support him, without a fair prospect that he will get the reasonable profit he asks for. It is a dictate of common sense and sound policy that he should be met in a friendly spirit. It should be ungrudgingly admitted that he is entitled to a profit, and all that is incumbent on those negotiating for the Indian Government is to make sure, first, that the enterprise suggested would really benefit the district through which it is to run; and, secondly, that the profit asked for is not unreasonable. Provided

these two conditions are fulfilled the capitalist should be met half-way, and everything fitting should be done to encourage him to invest his money. Still, it is to be feared that private enterprise will not undertake railway building on a great scale in India. If it does not, then the work will have to be performed by the Indian Government. For it is inconceivable that now that the Indian people have a potent voice in the various Councils that have been newly called into existence they will allow the country to suffer, as it is suffering at present, from the lack of adequate railway accommodation. Consequently, it is incumbent upon the Government to equip India with the necessary railway facilities.

The Indian Government pleads that it can afford to raise only a certain amount of capital in any one year, partly because the demands for new capital on London are always so large and so promising that they absorb much of the current savings, and therefore make borrowing costly ; and, partly, because India is so poor that she cannot afford to increase her foreign debt charge very largely in a short time. The argument has force, but it is pushed too far. India, as has been abundantly shown by the statistics given a little way back, is condemned to poverty because she is not provided with adequate railway accommodation. The Indian Government, not liking to increase her foreign debt charge rapidly, has been in a peddling way building railways, and at the end of sixty years the railway facilities of the country continue to be woefully inadequate. Is not this arguing in a circle with a vengeance ? It is perfectly true that the Government may spend too much money in a very short time on public works. Everybody conversant with recent French history will recollect how M. de Freycinet carried through the Chamber an Act for the construction of a great railway system in France, and how even France, rich as she is,

was obliged to slacken the pace. Therefore, it must frankly be admitted that there is a limit to the amount which India can sink in a given time in permanent works like railways. On the other hand, it is perfectly plain that India will never get out of the rut she is in at present until railway construction is pushed forward more rapidly than it is now. What would seem, under all the circumstances, to be the reasonable policy is that a careful estimate should be made, first, of the most pressing needs of India in regard to railway construction; and, secondly, of the amount of capital which she can afford to sink in permanent public works in a given time; and that then a definite scheme should be drawn up. Having arrived at a definite decision after the fullest inquiry and consideration, the Government should supplement its construction of railways of the ordinary kind by a more rapid construction of light railways. India, as has been already admitted, cannot be provided with all the accommodation she needs in the shape of costly railways in a very short space of time. On the other hand, she will continue to languish until she is provided with better facilities for the transport both of produce and passengers. The necessary conclusion seems to be that if costly railways are out of the question their place should be filled by cheap light railways. From the economic point of view it may be argued that the transport of goods is the really important thing. That proposition may be doubted very much. The really important thing in regard to national prosperity, as well as to every other department of life, is that the men engaged in it should be intelligent, should be open to new ideas, should have some knowledge of what is being done in their own department in other places. If that be true, it naturally follows that means should be afforded to the ordinary Indian ryot to travel out of his own native district, to see comparatively large towns,

to have before his eyes what other ryots are doing in other districts, what is being accomplished by great farmers, and what work Government officials are carrying on. If the minds of the Indian people are expanded, and they see the value of new ideas, they will find means somehow of improving their cultivation and of sending their goods to market. However, though there are good grounds for dissenting altogether from those who think little of passenger traffic, there are equally good grounds for holding that cheap and easy access to quick means of transport for goods is of incalculable importance, and should be provided in some way or other. In the circumstances of India at the present day, it must be granted further, as has already been done, that the full supply of ordinary railways is out of the question within a comparatively short time. The conclusion follows inevitably that the deficiency should be made up by bringing into general use light railways constructed for the carriage of passengers as well as of goods.

There is one other point in connection with railway construction to which it seems very desirable that the attention of the reader should be called, and it is the finding of the means for financing railway construction. Hitherto the Government has looked almost exclusively to London for the capital. London, the reader need hardly be reminded, is applied to by almost every country all over the world in need of banking accommodation. Consequently, rich as London is, she has not capital enough to supply all comers. Therefore, the Indian Government would do well to look nearer home. In an article frequently referred to in the course of this inquiry which appeared in the *Statist* of November 26, 1892, there was published a table showing the amount of gold and silver imported into India and retained there during the 33 years ended with the preceding March. From this table it

appears that in those 33 years the imports of the two precious metals averaged $10\frac{3}{4}$ millions sterling annually, and amounted for the whole period of 33 years to the enormous sum of £356,324,000. Now a portion of this vast sum, no doubt, was coined, and a portion, no doubt also, was required for the arts. But far the greater part of it was hoarded in the shape of ornaments for the women of India. Furthermore, it is to be borne in mind that the imports of the precious metals into India and there hoarded have been going on from time immemorial, and have been continued since 1892. Is it necessary to point out that if the incalculably vast hoards accumulated time out of mind could be brought forth and employed in developing the natural resources of the country the effect upon the welfare of the people would be beyond estimation? Owing to the unhappy history of the country the people are exceedingly suspicious, and are very unwilling to bring forth their hoards. There is not the least wish in urging the above proposal, therefore, to minimise the difficulties the Government will have to encounter in endeavouring to break down this suspiciousness. But there is no inconsistency in admitting the difficulty of a thing and at the same time urging that the obstacles in the way can be overcome by perseverance, the determination not to be beaten, and the adoption of appropriate means. Few will dispute that much, and therefore it is to be hoped that all readers will agree that it is the duty of the Government to endeavour to break down the suspiciousness, and to induce the hoarders of the precious metals to bring them forth and to employ them in the development of the country. If the Government can succeed in that it will do an immense work towards raising the welfare of the people. On May 2, 1910, Mr. T. H. Biddulph, C.I.E., who had been deputed for some years to put in order the monetary affairs of the late

Maharajah of Patiala and of the Patiala State, read a paper before the East India Association, the subject of which was the wealth hoarded in India, and the means of getting it into circulation for extending railways and irrigation. Mr. Biddulph suggested the offer of $4\frac{1}{2}$ per cent. interest guaranteed by the Government, instead of $3\frac{1}{2}$ per cent. now offered on Government loans; the confining of the issue preferentially to persons locally interested; and an agreement on the part of the State to redeem or purchase the holdings of investors who might subsequently desire to realise. The discussion which followed the reading of the paper was not either very intelligent or very instructive. Few of those present seem to have given real consideration to the subject. Yet it is one that is deserving of the closest study by all who are really interested in the welfare of India. May it not, then, be reasonably suggested that the Indian Government itself should institute an inquiry into the whole subject? No doubt it is a difficult, and might, under conceivable circumstances, easily become a dangerous thing to try to extract from the poorer population of India a statement of the amount of their hoards. But surely there must be some way of getting at an approximate estimate of the amount. In any case, the consideration of the matter by a competent Committee or Commission could not fail to be informing and suggestive.

In this study there is no intention to elaborate schemes, or to suggest practical methods in which advisable policies should be carried out. The object for which it was instituted was to inquire into the best means by which the purchasing power of communities can be increased. Therefore, it would be out of place here to enter any deeper into the way in which the Indian Government ought to set about attracting the hoards of the population subject to its jurisdiction for the development of the

natural resources of India. But it is not going beyond the object of the inquiry to have recommended an official investigation into the matter, and to emphasise the importance of supplying every district in India with cheap and easily accessible means of transport. The Development Act passed by the British Parliament in 1910 provides, amongst other things, for the constitution of a Road Board, which it may safely be assumed will by and by endow the United Kingdom with a great system of light railways. The Government which introduced the measure no doubt took its inspiration from what has been done abroad, and more particularly from what has been done in Denmark and Belgium. Both of these countries are peasant proprietary countries, and both are largely dependent upon agriculture. Indeed, Denmark is almost entirely agricultural. In both the advantages of an almost universal system of light railways have been immensely appreciated, and, indeed, have contributed very largely to the prosperity both countries enjoy. In Denmark they have furthered the interests of agriculture in every way. In Belgium they have not only done this, but by their universality and their extremely low fares they have made it possible for the working classes to live at considerable distances from the towns, and yet to go into the towns daily and return home, or, in exceptional cases, to return home on the Saturday evening and go back to the towns on the Monday morning. In every one of these countries, so much richer than India and possessing in a much more fully developed shape important manufactures, light railways have been felt to be an absolute necessity ; how much more must they be in a country like India, so backward in development, and so dependent upon agriculture alone. It will, as a matter of course, take a long time to break down the suspicions of the Indian ryot and induce him to bring forth his hoards and invest them,

or, at all events, a considerable proportion of them, in such works of public utility as railways. It can be done by slow degrees if the Government makes up its mind to do it, and perseveres long enough. In the meanwhile, India will be suffering from the want of an adequate supply of cheap railways, and, as has been fully admitted, London cannot lend at once a great deal even to India.

There is another means which lies ready to the hand of both the British and the Indian Government, and which, nevertheless, has been strangely neglected. Everybody is agreed as to the importance of thrift. Lectures beyond number have been delivered regarding it. And over and over again it has been preached to the poor. Governments, too, have endeavoured to encourage it by founding savings banks. But they have not offered such return for the money committed to their charge as has been found sufficient. No doubt, it is true that in the United Kingdom, for example, an immense sum is invested in the Government savings banks. But then it is to be recollected that the Government savings banks have been in existence for a great many years, and, therefore, it is not surprising that the accumulation in such a multitude of years should have mounted up to a very large sum. A little more imagination and a little more practical knowledge of business would suggest a multitude of ways in which the savings of the poor could be invested perfectly safely, and at the same time could be made to help in raising the poor in material comfort. Is it not possible that the Indian Government might be able to tap an entirely new stratum of investors if it applied directly to the people themselves—if it was not so entirely dependent upon banks but went direct to the people? In almost every hamlet in the United Kingdom there is now a Post Office Savings Bank. Why should not the Indian Government be allowed to sell bonds, or debentures, or whatever it may be its pleasure to call

them, to any person who is willing to invest a small sum with the undertaking that the money should be employed either in railway building or in great irrigation works in India, so that a reasonable interest should be earned on the money and, consequently, the Indian Government should be in a position to pay to the investor such a rate of interest as would be attractive to him? One pound shares are proved by experience to be very attractive to the small investor. Is there any reason why the Indian Government should not issue bonds for one pound so that any one who had saved twenty shillings or any multiple of twenty shillings might be able to invest his money let us say at $3\frac{1}{2}$ per cent., or if necessary, 4 per cent., instead of the $2\frac{1}{2}$ per cent. which the Post Office now offers? If the Indian Government were to offer from $3\frac{1}{2}$ per cent. to 4 per cent. is it not probable that there would be a considerable response, and that in that way the London money market might be spared too frequent applications to it? Everybody who has paid attention to such matters knows that the French Government obtains almost any amount of money it requires in such a way. Everybody knows, too, that the great French banks are able to get subscriptions for almost anything they recommend in a similar way. Why should this country not take advantage of the experience of other countries and adopt more business-like ways of getting at the small investor? No doubt several who cannot exactly be classed as small investors would subscribe, but presumably a very large proportion of the subscriptions would come from very small investors who now have no broker and no banker, and, therefore, have no means of investing their money except such as is offered by the Post Office, the building society, and the trades unions. It would be an advantage to the very small man to be able to invest safely and profitably very small sums. It would

be an advantage to the Indian Government obviously. And it would be an advantage to the London money market, because although, as already admitted, some who now deal in the Stock Exchange would subscribe directly, yet a large proportion, at all events, of the subscribers would be persons who never operate on the Stock Exchange. If the proposal just made recommends itself to the reader, it may be asked whether a plan which seems good for the United Kingdom should not be tried in India likewise. In the earlier part of this chapter attention has been called to the immense hoards which must exist in India which have been accumulated time out of mind and are being accumulated even at present. It is unnecessary to argue once more that immense benefit would be conferred upon India if the people could be induced of their own accord to bring forth those hoards and to employ them in developing the resources of India itself. Therefore, it is in the highest degree desirable that something of that nature should be done. And nothing appears more likely to succeed than an application directed by the Government itself to entrust the money to its care with an undertaking that such a rate of interest shall be paid to the hoarder as will remunerate him for the confidence he reposes in his Government. Many other ways might be adopted; for example, the extension of people's banks upon which so much stress has already been laid. In a country like India it is not likely that any single plan will prove fully available. It is desirable, therefore, to try several plans.

CHAPTER XXV

INDIA—(*continued*)

A SOUND scientific system of education, as has so often been insisted upon in the foregoing chapters, is everywhere and at all times not only the pre-eminent, but the indispensable, means of increasing the purchasing power of a people and generally of raising them in the standard of living. Next to education, in the case of India at all events, and of very many other countries likewise, comes a well thought out and carefully framed policy for improving the health of the people. India is an exceedingly unhealthy country, as such readers as give attention to its affairs are well aware. After what has been said in the foregoing pages, it is hardly necessary to dwell at any length upon the influence of this fact in restricting the purchasing power of a people. Great unhealthiness means heavy economic loss. It means, above everything, an excessive number of deaths, including not seldom deaths of persons who can ill be spared because of their high character, their great knowledge, or their expert skill. It means, furthermore, either such debility on the part of a large proportion of the population as causes marked inefficiency, or it means frequent short illnesses which suspend, while they last, working by those affected. It means, moreover, a heavy mortality amongst children, for in a very unhealthy country the young die off in excessive numbers. Over and above this, it means loss of the breadwinner in very many cases, and the consequent pauperisation, or something approach-

ing to it, of those dependent upon him. As a consequence of all this, it means a serious restriction of the productive power of the community.

Putting aside, then, all the finer feelings of our nature, and looking at the matter simply as an economic fact, a very unhealthy country is a country in which the purchasing power of the majority of the people is very small. There is no need here to elaborate the argument. But it may be well to give proof of the statement. At the end of June 1910, there was issued from the India Office the annual report for 1908 of the Sanitary Commissioner with the Government of India, and it establishes in the most convincing way the truth of what has just been said. The report deals only with British India; that is, the India directly governed by the Viceroy. In other words, it excludes the native States. The population of British India so defined numbered, in the year referred to, 226,409,600. In this population the total number of deaths registered was 8,653,007, compared with 8,399,623 in 1907, and with the average for the five years ended with 1907 of 7,680,007. The deaths exceeded by 253,384, or 3 per cent., those of 1907, and they exceeded the average for the five years preceding by 973,000, or 12·7 per cent. The death-rate was 38·21, or 1·03 per 1000 higher than in 1907, and 4·25 per 1000 higher than the mean death-rate of the previous five years. Furthermore, in 1908 the number of births recorded was 8,554,427, compared with 8,505,563 in 1907. The birth-rate was 37·78 per 1000, compared with 37·65 per 1000 in 1907, and a quinquennial mean of 39·23 per 1000. The birth-rate, it will be seen, was slightly higher than in 1907, but it was 1·45 per 1000, or 3·8 per cent. less than the average for the five years ended with 1907. Over and above this, it will be seen that the deaths in 1908 exceeded the births by 98,580, or 1·2 per cent. In other words, there was an

actual decline of the population of India in the year with which the report just referred to deals. How excessive was the mortality in India during the year under review will be understood when it is pointed out that in the same year the death-rate in the United Kingdom was only 15·2 per 1000; that in Germany in 1907 it was 18·0 per 1000; while in France also in 1907 it was only 20·2 per 1000.

Serious as these figures are, yet the reader must not conclude from them that the population of India is actually declining or even that it is stationary. What the figures really mean is that India depends for its rainfall upon what is called the "monsoon," which begins in normal years about the middle of June and lasts till towards the end of September. In the year 1907, unfortunately, the monsoon terminated about the end of July. During August and September, consequently, the sun shone with all the fierce heat of a tropical and sub-tropical country throughout the day, baking the ground and burning up vegetation. A severe drought naturally followed, which, over the greater part of the country, caused great distress and in not a few districts actual famine. In consequence, the Government was obliged to start relief works, which had to be continued well into 1908. It will be easily understood that distress of this kind caused excessive mortality, especially amongst the very young and the very old, who, because of their helpless condition, were unable to provide food for themselves. Probably, also, much of the food they obtained was not very wholesome. In 1908 there was an outbreak of cholera and small-pox, and a virulent epidemic of fevers. On the other hand, strange to say, there was a decrease in the mortality from plague, while the mortality from dysentery, though it increased, did not increase very remarkably. In regard to the excessive mortality, the authorities are disagreed as to

whether the drought and the distress it caused were more than contributory causes. That they contributed to it nobody disputes. But whether and to what extent they were direct operative causes leads to much difference of opinion. Of all the diseases in 1908 the most destructive was fever of various kinds, the deaths from which in that year exceeded those of the preceding year by about a million, or over 23 per cent. Cholera, as already said, was likewise very fatal. Were the malarial fevers that carried away so exceptionally large a number of persons, chiefly children and old people, the direct consequence of the drought and distress of the autumn of 1907 and the first half of 1908? Or were they the result of meteorological causes? The authorities, though by no means clear on the point, yet seem to be agreed that the fevers were to a considerable extent, at all events, the result immediately of bites by infected mosquitoes, and the exceptional number of mosquitoes is, in turn, attributed to heavy falls of rain in 1908, occasioning stagnant pools of water.

This chapter has not been written as a medical discussion. It is not even offered as a criticism of medical opinion. It is put forward rather for the purpose of preparing the way for a practical suggestion. But to enable the reader to judge of its value it is necessary to point out that the medical men who were engaged in fighting the malarial fevers in India in the year under review are of different opinions as to their immediate cause or causes. Again, respecting the cholera epidemic of the same year, there is one theory to the effect that the germs of the disease may be carried about by a human subject for a considerable length of time without giving any indication of their presence, without even causing apparent illness, and that after a considerable time the germs may develop in a malignant form and spread the disease. This theory is not generally accepted; but the reader will see

how grave a danger it suggests—how, in fact, the germs of disease may be carried, without anybody suspecting it, great distances into countries, for example, which are themselves quite free from the disease and would not suffer from it were it not imported in the manner suggested.

It has been thought necessary to enter in some detail into these matters, as already said, because they show the extreme necessity that exists for studying on a much greater scale than has hitherto been done all the diseases to which tropical and sub-tropical countries are liable. Everybody knows that cholera is imported; that it is of Eastern origin; that it is brought into Europe; and that at one time it caused very great mortality. The progress of hygienic science has after a while enabled the advanced countries of Europe to protect themselves from the epidemic. But even yet cholera invades less forward countries like Russia and Turkey. Taking the lowest and most selfish view of the matter, it is obvious, then, that it is in our interest that the diseases of such countries as India should be most carefully studied, and, therefore, that it is the duty of the Indian Government to encourage research in reference to them, and, furthermore, to find the means for instituting a great school of tropical and sub-tropical medicine. Something has been done here at home as well as in India to encourage the study. But when note is taken of how much has been done by Continental countries that possess no great tropical empire, it will plainly be seen that the United Kingdom is exceedingly backward in this matter—that, in fact, it is not doing its duty in regard to it, and that it is bound to exert itself much more actively than it has hitherto done. Putting out of account the amount of preventable human suffering and human sorrow, as well as the direct avoidable destruction of human life; putting aside also our own interest in protecting the more advanced countries from invasions

of diseases that take their rise in the more backward countries, it clearly is incumbent upon us to do what we can to diminish disease in India. A people subject to drought and famine, followed by virulent epidemics, cannot in the nature of things be an efficient people either in peace or in war. And as we have taken upon ourselves the government of India and made ourselves responsible for the welfare of its people, it is our plain duty to do what we can to protect them from the ravages of disease.

There is another consideration. We maintain in India a British garrison of about 80,000 men. We employ a considerable number of European officials. Moreover, our rule in India has attracted to that country a large number of European traders, professional men, clerks, and other employees. To all these we clearly owe the duty of taking such care as we can that the country shall be made reasonably healthy. Over and above this, it is to be recollected that the trade of India is mainly with this country. Consequently, if we can raise the people even a little way, and thereby increase their purchasing power, we shall at the same time give a very material stimulus to the manufactures of our own country. Furthermore, we ought not to leave out of account that the unrest which prevails in India is partly due to the misery of the people. The causes of the unrest, it must freely be granted, are very numerous. But it is material also to point out that all experience shows that unrest and discontent increase in backward countries exactly as the intelligence of the country develops. A people very ignorant is more or less a submissive people. A people that is beginning to be curious, to inquire into the whys and the wherefores, is always a dissatisfied people. There is no question that the Indian people is becoming more curious, and therefore is predisposed to blame its Government for everything that is unsatisfactory. Is it any wonder that the experience of

1907 and 1908 should accentuate unrest springing from a multitude of other causes ? Lastly, it is to be borne in mind that if we can increase the well-being of the people, even to a small extent, we shall augment in a still greater proportion the revenue, and therefore we shall obtain the means much more easily than at present to deal on an adequate scale with all the difficulties that confront us in India.

It ought to be admitted gladly and gratefully that in one respect, at all events, the Indian Government is doing a very great work. For many years now it has been spending immense sums upon irrigation. It has added materially to the cultivable area of the country, and by means of the irrigation works it has unquestionably diminished the mortality due to the failure every now and then of the monsoons. Any one who is interested in the subject will find that in what has just been said there is no over-statement if he will compare the mortality, let us say, of the great Orissa famine with the mortality of 1908. It is often argued, however, that, much as the Indian Government has done, it has done much less than it ought to have done, and could have done, without serious cost to itself, for the revenue from irrigation covers the expenditure. There is force in the argument, and, considering the incalculable interests that are at stake, the Indian Government ought, so far as it safely can, to increase the means for protecting the country against drought. There is another objection made to the great irrigation works that the Indian Government has constructed, and is constructing, which is of still graver import. It is that these works are all constructed for flooding the lands to be irrigated ; that flooding after a time exhausts the fertility of the soil by washing away the most productive elements, and that, therefore, the spray system should be substituted for the flooding

has been pursuing a mistaken policy and wasting vast sums belonging to the Indian people. It ought to satisfy itself either that the policy it is acting upon now is the right one, or else that that policy is open to grave objections. It should be very careful in selecting the members of its Commission. Men who have risen to eminence in any profession, and have acted upon a certain set of principles, are inevitably prejudiced in favour of the views they have adopted and acted upon throughout their active life. They may be, personally, men of the highest honour, and may honestly desire to arrive at the truth. But human nature being what it is, they must have a leaning towards what they have always hitherto considered the right view. Therefore the Commission should not consist too largely of irrigation engineers of the Indian school. The Government, likewise, should take care that the Commission visits the leading countries where systems of irrigation different from the Indian are in existence, and should inquire upon the spot into the working of those systems, so that it shall have the best and the latest information before it.

The Indian people do not take as full advantage of the irrigation works as might reasonably have been expected, or as it is to their interest that they should take. This shows in another way the urgent need there is for extending education. If the Indian people were more intelligent they would understand that a little money spent to make sure that their lands shall be properly watered will pay in the long-run. Irrigation may not be required in a particular year, but beyond question a time will come when without it everything would perish. However, an exceedingly ignorant people cannot look forward far enough to appreciate the importance of insuring against preventable dangers. The same lesson is taught by the deplorable fact that large numbers of natives in India have

been led to believe by sedition-mongers that their own Government was poisoning their wells and thus propagating disease. It is extremely difficult to benefit a people so steeped in ignorance ; and, consequently, it is forced more and more upon the student of India and its concerns that the supreme need of that country is education ; that compared with it all other requirements are small ; and that until it is provided in full measure little real good will be achieved. The question of education and its cost has been discussed already, and it would only tire the reader to go deeper into the matter here. But it would, on the other hand, probably cause the reader to fail to recognise the supreme importance of education if the opportunity were not availed of to remind him how profound is the ignorance of the bulk of the Indian people and to what incredible extravagance it leads them at times. To return, however, to the immediate question here under discussion, it may be pointed out that while irrigation is of the highest importance, mainly because it helps so powerfully to fight disease and in many cases even to eradicate it, yet its economic value ought not to be left out of account. The object of this study is to examine into the best means of raising the purchasing power of a people, and therefore, it would be missing the purpose if attention was not called to the fact that irrigation is a very potent means of increasing the purchasing power. On the scale on which irrigation has been carried out in the Punjab and is now being carried out also in that Province and some others it has brought immense tracts of land under cultivation, and in the early future will bring under cultivation far larger tracts. It permits, therefore, of people being settled upon land formerly desert but now highly productive. Consequently, it increases very largely the production of India, and at the same time it adds to the purchasing power of all those

employed by the new settlers upon these irrigated lands. Furthermore, by withdrawing these settlers from the older inhabited portions of the country it lessens the competition for employment in these and tends, as a result, to raise the rate of wages. It is not pretended in saying this that irrigation alone can very materially raise wages. But it is to be recollected that India is at present in a transition state ; that an immense number of influences are at work all tending to stimulate production ; and that the very object of this inquiry is to find out how both production and purchasing power can be augmented. Therefore everything that helps sensibly to increase the purchasing power of the people is to be warmly welcomed.

CHAPTER XXVI

INDIA—(*continued*)

WHETHER the Indian system of irrigation is the best possible or whether it will be found necessary to modify it on further consideration, or even to replace it by a different system, irrigation in some form or other is absolutely indispensable, since so long as the monsoons cannot be depended upon the Indian Government must continue providing the means of supplying water wherever the rainfall is insufficient. Therefore it may be repeated that a thorough investigation into the matter ought to be instituted without delay. But, however valuable irrigation is—and there is no doubt about the greatness of its value—it is not a complete remedy ; at all events it will not become a complete remedy for a very long time, no matter what sums are spent upon it and how perfect the system may be that is ultimately adopted. Therefore the Indian Government ought without delay to take other measures. The most indispensable, of course, is a sound system of education, and especially of practical education. If the Indian people were highly intelligent, full of enterprise, and thoroughly self-reliant, it is incredible that the country would remain subject to the epidemic scourges that sweep away so many of its people every now and then. For one thing, if the people were really enterprising they would bring the whole cultivable area under cultivation, and would not only put an end, therefore,

to the stagnant pools where mosquitoes and other insect-spreaders of disease are bred in such multitudes, but would clear the greater part of the jungle as well. They would also be much more careful in their habits. They would fully recognise the need for cleanliness. And as they became more efficient workers they would practise thrift, so as to have something to fall back upon if, in spite of all precautions on their own part and on the part of their Government, drought and famine recurred. The reader will remember that in the Middle Ages Europe was just as much subject to plague and pestilence as India is now. He will remember, further, that so late as the time of Charles II. the Great Plague of London occurred. He will bear in mind, also, that up to about a hundred years ago scurvy was a scourge to the seafaring population, and that all the population, whether of the land or the sea, suffered from small-pox, which, where it did not kill, either blinded or disfigured. Yet all these diseases have been practically got rid of. Even cholera, which swept away so many people in the thirties of last century, now is excluded, or almost completely excluded, from the most forward countries. What has been done in Europe can be done in India if the requisite means are adopted; and first amongst these means is the giving to the people of a sound system of education. It will make them efficient in peace and in war. It will enable them to increase in wealth and to raise their standard of living. Above all, it will teach the people that Nature acts by law; that, therefore, famine and pestilence are not visitations of God in punishment of sin, but are the result of terrestrial causes, operating oftentimes at great distances. The inculcation of this great truth, it must never be forgotten, will need the greatest caution and the greatest tact. If there is the slightest ground given for suspecting a design to tamper with the religions of the people, they may not

only be frightened away from the schools—they may even be made politically hostile. Therefore, the most efficacious precautions must be taken to ensure that there shall be no meddling with religious beliefs of any kind ; that what is done is done in absolute good faith, so as to bring to the peoples of India all the scientific knowledge at the disposal of the Western nations. As one means of reassuring the ignorant that education is not being used for proselytising purposes the Government ought to invite the co-operation of intelligent natives. The native members of the reformed Councils, who have shown themselves to be so eager for the spread of education, would, no doubt, gladly lend their assistance to extend education ; and their help would be felt by all their neighbours to be a guarantee that there was no covert attack directed against religion. The leading men, non-official, in every district should also be invited. In short, every public-spirited native who has the respect of his neighbours should be welcomed in the work of enlightening the community. If the co-operation of such were secured it would become easier and safer to impart to the young some knowledge of their own bodies, so that they may understand what foods to avoid, what precautions to take to guard against deleterious substances, and, also, that they may fully appreciate the importance of cleanliness. Even the poor, while they cannot adopt costly precautions, can at least whitewash the walls of their houses, inside as well as out, and eject all kinds of dirt. While all this education is being prepared for and imparted there needs to be, as has already been pointed out, cheap and rapid communication, so as to enable the surplus production of one district to be conveyed to other districts which are in distress, and likewise to give a stimulus to cultivation and industry of every kind. Gradually, by all these means, the danger of famine will ultimately

become as remote as it is already in the most advanced nations of Europe.

Irrigation, railway building, and the like, are, in regard to drought, curative rather than preventive measures. Education, however, is preventive as well as curative. And if it is conducted upon the right principles and with the right methods very great results may be expected from it. There is a closely allied measure, also preventive, which ought to be employed on a scale far greater than it has been hitherto; namely, research. The ills from which India is suffering can in large measure be traced back to the liability to drought. What are the causes of that drought? Immediately it is easy enough to answer. The cause is the failure of the monsoon every now and then. But the question instantly arises, What is the cause, or perhaps it would be more correct to say, What are the causes of the occasional failures of the monsoon? Though we have been the predominant Power in India for nearly a century and a half, we have not yet even an inkling of what those causes are, and still less, consequently, of how to combat them successfully. Perhaps it will appear not so much to our discredit as at first sight it may seem when we call to mind that although the weather exercises so illimitable an influence upon mankind, man in every country knows so exceedingly little about the causes of the changes in the weather—indeed, has given so little real attention to the matter until comparatively the other day. It is plain that whether by irrigation, combined with education and the other means already suggested, or by any other process, drought and its attendant calamities can be averted, such a result will not be effected for many a long day; and, therefore, that it is incumbent upon the Indian Government to not only encourage research, as has been said already, but to stimulate even more than at present an inquiry into the meteorology of

India and the portions of the world immediately surrounding it. Any one who will look at a map of Asia, or still better of the world, will see that the geographical position of India is peculiar. Its base is very wide, and rests upon a vast mass of mountains, perhaps the vastest in the world. The country gradually tapers off as it stretches southward, becoming almost sharp at its southern extremity. Both on the west and on the east it is washed by comparatively narrow seas without a northern outlet—in fact, magnified bights or bays running up from the Southern Ocean. But if one looks at maps, firstly, of India, and, secondly, of the immense Asiatic continent, one sees that, while those comparatively narrow gulfs, or bays, or whatever they are to be called, wash the tapering parts of the peninsula, the widest part is not touched, or is barely touched at points, by those waters. To the student poring over a great map of Asia, or still better of the world, the question at once arises, In what way does the vast mass of mountains rising up to the north of India affect the currents flowing upward from the southern seas to the west and to the east of India, and, therefore, the water-laden clouds coming up along with them, and finally the monsoon rains? The monsoon, as has been already said, begins in June and ends in September. It occurs, that is to say, in the hot weather, when the snows are melting in the great mountains north of India. Does the melting of the snows in any way help, or tend to help, to make the monsoon rains plentiful; or does the coldness of the immense mountain mass, a mass which is very high as well as very broad and very deep, tend to lessen the rainfall, and, consequently, act prejudicially upon India? Clearly the action of the mountains cannot be constant, for if it favoured the monsoons there would be no serious drought, while if it was adverse to the monsoons there would be no good

rainfall. If the mountain mass has any influence upon the monsoons, what causes make that influence vary so greatly? It is difficult to believe that the mountain mass to the north of India does not exercise a great influence upon India, apart altogether from the fact that the three greatest Indian rivers take their rise amongst the mountains. But in what has just been said there is intended no reference to these great rivers, which, in reality, drain India rather than water it. What suggests the foregoing statement is, firstly, that the fertility of Egypt depends upon the flooding of the Nile, and that the flooding of the Nile is caused by the melting of the snows in the Abyssinian mountains; and, secondly, that the evidence afforded by American observations goes to show that the Rocky Mountains exercise a great influence upon American weather.

It is easy to understand that while the British were struggling to maintain a foothold in India they had no time to give either thought or attention to the meteorology of the country. And, furthermore, it is easy to understand that while they were engaged in extending their sway they had little time for meteorological observation. Moreover, it is not to be forgotten that it was not until the nineteenth century was well advanced that the importance of the study of meteorology came anywhere to be recognised. When, however, the British Raj was well established the influence of the climate upon the people themselves and their environment forced itself upon the recognition of all thoughtful people, and gradually a meteorological system of observation has been created. It is greatly to the credit of the Government of the United States that it was one of the first, not merely to recognise theoretically the importance of meteorological observation, but that it employed its military engineers to take such observations. They have been taken now for a great

many years, and through them there has been accumulated a vast mass of knowledge, which some day or other will enable a great constructive mind to interpret the accumulation and to formulate a law that will make intelligible to the world what now seems so incapable of comprehension. The example set by the United States has been very widely followed. And in the immediate future it is reasonable to expect that it will be still more widely followed. Returning, however, to the case of India, it may be noted that a staff has been in existence for a considerable time for meteorological observation within India itself. The observations are taken at a great number of stations. The medical profession assists largely, and many of the stations are in hospitals. Moreover, the meteorological department recognises clearly that the mountain mass to the north of India, to which reference has been made, must exercise a considerable influence upon the weather of India. It seems to be now accepted as beyond question that heavy late snowfalls in this great mass exercise a bad effect on the monsoon. It is not clear that any other point is regarded as established. There are daily weather telegrams from six Himalayan stations in British India, seven in Kashmir, three in Baluchistan, and in the cold weather from eight stations in Persia and Arabia ; daily observations come by post in monthly batches from four stations in Tibet, from Kashgar, Kabul, Meshed, Bahrein, and eight other stations in Persia and Arabia ; weekly cables are sent from Mauritius, Zanzibar, and Seychelles ; and occasional cables during the monsoon from Australia, Natal, British Central Africa, British East Africa, German East Africa, Egypt, Chili, Argentina, and Honolulu. It will be seen that India is making an earnest effort to solve the problem of variations in the monsoon. It is not, of course, to be expected that the mass of information

so collected will be soon interpreted. The mass is regularly tabulated and is available. It is turned to practical account as well as used for scientific purposes. India, as everybody knows, is an exceedingly poor country, and it would be unreasonable, therefore, to ask the Indian Government to increase very largely its expenditure upon this subject, important as it is. The Government is working upon the right lines.

The reader who has not paid much attention to the monsoon, which plays so great a part in the affairs of India, may be interested to learn that it comes up from the south, and that the causes, whatever they are, which bring about variations in the monsoon, seem to act over immense portions of the world's surface. Some years ago, for example, when the monsoon failed in India, it was noted by ships' captains at sea that all through the Persian Gulf, the Indian Ocean, and even in the Southern Seas, there was a scarcity of rainfall. Furthermore, almost the whole Eastern side of Africa suffered from drought which was severe in South Africa; and there was, likewise, severe drought in Australia. From this it will be understood why the Indian Government makes it a point to get information from Africa, the Mauritius, Australia, and so on. The Governments of all British possessions, and of German East Africa also, are, of course, as much interested in the study as India itself, and are, therefore, ready to assist in promoting that study in every way they can. But there are other governments which are not likely to be animated by the same intelligent desire to promote scientific research. China, for example, is a country of very ancient civilisation. But science has no part in established Chinese studies. Therefore, it is in the highest degree improbable that the Chinese appreciate the importance of meteorological observation. Yet China is so situate that it is in a position to give the most important

assistance in the study. China, to begin with, is of immense extent. It exercises an influence more or less efficient over a wide area outside of China proper, and especially it exercises influence over Tibet. It also has claims to influence over nearly every part of the great mountain mass that lies to the north of India, to which attention has so often already been called. If China could be induced to give intelligent and serious assistance in meteorological research, the information it could acquire ought to prove of the very highest value. The British Government could perhaps induce China to undertake the work. At all events, it is the duty of the British Government to use what influence it possesses to enlist China amongst those who are now endeavouring to advance the cause of meteorological research. It may be added that in other ways the British Government, which is really the supreme Government of India, could render important assistance. But in this place it is India and the countries neighbouring upon India that claim attention. And, therefore, it is to them that the remarks here made are for the present confined. Although, however, India is the immediate subject of inquiry here, it is not to be forgotten that whatever increases our knowledge respecting the meteorology of India and the neighbouring countries will inevitably prove of immense value to the rest of the world, the United Kingdom included. The reader has already been reminded that cholera is an Eastern disease, taking its origin usually either in India or in China. To what extent do variations in the monsoon affect the springing up or the spreading of cholera is a question the importance of which is certainly not confined to the Far East. Again, malarial diseases which, as already shown, swept away such large numbers of people in India in 1908, had an influence on the health of many other countries besides India. Lastly, the reader will remember that the

plague in Manchuria is causing grave apprehension in Russia, to which country it has begun to spread. If it invades Russia in a very malignant form it will, no doubt, also attack Persia and Turkey, and it may possibly make its way into the more advanced portions of Europe. In short, it is hopeless to expect that our knowledge of disease will ever be complete until the causes and the nature of the diseases of the Far East are thoroughly studied and thoroughly understood. The Indian Government, of course, is bound to consider the interests of India first, and those of other countries only in the second place. Nevertheless, what the Indian Government is doing is a service not to India only but to the rest of the world also, and every Government which helps the Indian Government is likewise helping its own people; while, of course, it is unnecessary to add that it is increasing the sum of human knowledge and helping to diminish the sum of human suffering.

The American observations, as said above, seem to prove that the Rocky Mountains exercise a very considerable influence upon the climate of the United States. If that be so, it seems reasonable to conclude that the great mountains north of India must exercise at least as great an influence upon the climate of the portions of Asia near to them. In comparison with Asia and Europe, the latter of which is, from the point of view from which the matter is here being looked at, only an outlying portion of Asia, the American continent is quite narrow. One would say, therefore, that the influence of the two great oceans—the Atlantic and the Pacific—which wash the American shores would be much greater, in comparison with that exercised by the Rocky Mountains, than is the influence the same oceans washing the Asiatic and European shores would be able to exercise against the mountains north of India. One would anticipate, therefore, that the

mass of mountains north of India must exercise a very much greater influence upon the climate of the latter country and its neighbours than do the Rocky Mountains in the case of the United States. All this is mere speculation, of course. But it is of the utmost importance that we should learn by actual observation, conducted by competent observers, what the real facts are. Probably if we had the facts they would simplify very materially the task which lies before the Indian Government. Again, Australia, South Africa, Arabia, and so on, depend upon the monsoons. Australia is an island, of vast size no doubt, but still it is completely surrounded by sea. South Africa, again, like India, is a peninsula narrowing as it goes southwards, and, therefore, becoming more and more susceptible to the influence of the seas that wash its western and eastern coasts. One would naturally expect, therefore, that Australia and South Africa would have a more plentiful rainfall than India. The fact, however, does not correspond with the expectation, so far, at all events, as Australia is concerned. For rains, even in Eastern Australia, do not penetrate far inland, indeed, often do not penetrate a few hundred miles.

CHAPTER XXVII

INDIA—(*continued*)

COMING, in the next place, to the land system of India, much space need not be taken up in showing that in every country the land system exercises a very great influence upon the condition of the people. The land, in fact, is as necessary to their existence as air and light, and consequently its disposition is of the utmost importance. It follows that a good land system leads to stability of institutions, to loyalty on the part of the people, to general industry, and to national prosperity ; whereas a bad land system is a source of all manner of evils, scarcity and dearness of dwellings, overcrowding, and general unsanitary conditions. In some countries it leads almost to anarchy. In all it is fruitful of poverty and thriftlessness. In Bengal the land system is bad. Lord Cornwallis, whose influence did not work for good in any country where he exercised power, introduced landlordism into Bengal, bestowing great estates upon a class of people who had not proved themselves deserving of the favours heaped upon them either by their own characters or by the services they had rendered to England or to India. By so doing he divested the State of revenues which would have enabled it to work for the benefit of the whole population. At the same time he put it in the power of the zemindars to oppress their dependents. The system has, however, now been in existence for a century, and it undoubtedly would be a strong measure to propose altering it unless a convincing

case could be made out in favour of doing so, and even then the landowners would have to be compensated. All the same, there can be little doubt that amongst the many causes which have conspired to bring about unrest in India the land system of Bengal is not the least virulent. It will be recollected that unrest is more active in the two Bengals than anywhere else, and that it is the Press of Bengal and the demagogues of Bengal who signalise themselves most in sowing sedition and preparing the way for assassination. Therefore, there ought to be no hesitation on the part either of the British public or of the Indian Government in doing what may be necessary to protect the cultivating occupier by whatever legislation and administrative action may be requisite. Furthermore, the zemindars ought to be made to contribute their fair share to the burdens of the State.

Can it be held that the zemindars do under existing conditions contribute their fair share to the support of the Government when it is borne in mind that their present position was in large measure due to misconception? Lord Cornwallis and those who acted with him really mistook their true position. That, however, might be ruled out of the argument as irrelevant on the ground that whatever irregularity there may have been in the original policy adopted by Lord Cornwallis, time has made good the present title of the landowners. Granting that that is so, let us compare the position of the cultivating peasants all over India with that of the great landowners in Bengal, and can any one honestly say that the great landowners contribute their fair share to the support of the Government? It was one of the great mistakes made by Lord Cornwallis that he gave away so much potential wealth. But it may be argued that it is too late now to remedy what was then done. There is no intention here to suggest that the policy of Lord Cornwallis should be

gone back upon ; what is intended is to invite the reader to consider whether our present policy is justifiable in giving such immense privileges at such little cost to the great landowners of Bengal. Surely, when the cultivating peasants compare their own lot with that of the great proprietors of Bengal and consider the policy adopted towards the two by the Government, the present state of things is not conducive to the best relations between the governors and the governed.

Without infringing Lord Cornwallis's policy in any respect, would it not be possible to make the great landowners contribute their fair share to the support of the Government either by imposing upon them special taxation or by graduating existing taxation so as to fall upon them more heavily than upon the poorer classes ? Good government clearly implies equal treatment to all classes. But it surely is not equal treatment to exact a money rent from the cultivating occupiers all over India outside of Bengal, and to give the great landowners of Bengal the special privileges they now possess.

Outside of Bengal the land system is unobjectionable, at least in principle. It does not give the absolute ownership of the soil to individuals, or to communities or associations. It retains the ownership for the Government, and it requires from the occupying cultivators a rent, commonly called a land tax. Obviously this is just, for the land, as has just been said, is the foundation on which the nation is built, and, therefore, ought to contribute in some way or other to the welfare of the whole community. The reader will recollect that it was not until the reign of Charles II. that in this country practically the ownership of the soil was acquired by the great landowners, and that even to-day the supreme ownership of the whole of the land of England is, in the eye of the law, vested in the Crown. As has just been pointed out, the great

landowners of Bengal do not contribute to the support of the Government equally in proportion to their wealth with the peasant cultivator, and in equity they ought not to be given an exemption which is not extended to their poorer fellow-countrymen. For some time to come it is probable that the native members of the reformed Councils will be drawn from the higher classes, and, therefore, this question is not likely to be mooted. But as the intelligence of the Indian people increases, as newspapers become more numerous, and as popular discussion extends, the question certainly will force itself upon public attention, and members will be sent to the reformed Councils for the express purpose of having justice done to the cultivating peasantry. It is a matter, therefore, eminently deserving of early consideration. The Government cannot well afford to give up the land tax. On the other hand, whenever the matter comes into public discussion the Government cannot maintain the land tax for the peasant and exempt the great proprietor from special taxation of some kind. However, to return to the land system outside of Bengal, the question arises whether in practice the assessment of the Indian land tax is free from objection. In saying this it is not for a moment intended to imply a doubt that the Government officers who periodically assess the rent act quite impartially, and that they earnestly desire to be just to the cultivator as well as to the Government which employs them. But still, there seem grounds for suggesting that there ought to be greater safeguards against misjudgment. However desirous of doing right officers may be, they are sure occasionally to make mistakes, and there ought to be readier, cheaper, and more certain ways than exist at present of obtaining redress. The land system has come down from a remote antiquity, and doubtless it appears to the people the most natural and the best. The system of assessment, however, as we now

see it has been altered and modified in times of anarchy and foreign conquest. It ought now to be reconsidered and amended in the light of greater knowledge regarding India and of greater experience respecting all the world.

The land system of India brings to mind naturally the Indian village community, a survival from a long distant past, which suggests that the various waves of invasion which have swept over India made less impression upon the cultivating inhabitants than similar conquests have made in Europe—or, at all events, in Europe, outside of Russia. In Europe, outside of Russia, the old land systems have been swept away. There are, no doubt, relics of cultivation in common even in the most advanced countries of Europe. But the real nature is understood only by those who have carefully studied prehistoric systems of land tenure. In India, though the village community is not complete, it has survived to a wonderful extent. It does not appear advisable, therefore, that it should be in any way interfered with. It has existed so long that it is clear it suits the stage of civilisation to which the bulk of the people have attained, and it is never wise on the part of a Government to break up institutions which are working fairly well. On the other hand, the Government is in no way called upon to take special measures to preserve the village community. In all probability the course of events will break up the community as it is breaking up so much else in the life of the people. There is a very common belief that, as civilisation advances, ownership in common is found to be a clog upon progress, and, as a consequence, is thrown aside. That opinion is not so firmly, or even so generally, held as it was twenty or thirty years ago. Many doubts are entertained, and clearly there is a reaction against the theory in many minds. Even in Russia, where twenty years ago it used to be held that the village community was a hindrance

to progress, there has been a strong reaction, and the view is now held by no means so strongly even by the most advanced reformers. It is true that M. Stolypin has made great progress in breaking up the Russian village community and introducing individual land-ownership. But M. Stolypin certainly is not a representative of the most advanced and the most correct opinion. The action of such a Government as that of Russia, constituted as it is at present, does not conflict with the statement that the best opinion respecting the Russian village community has changed very considerably during the past quarter of a century. As opinion is thus changing it is not advisable that any measures should be adopted calculated to hasten the disappearance of the village community. But the general tendency of British opinion, of British practice, and of British legislation, undoubtedly is unfavourable to the permanent continuance of the village community. Probably, therefore, if a sound system of practical education is introduced generally throughout India, the cultivators of the soil will desire to obtain each his own separate portion, so that he and his heirs may be able to enjoy the results of his labour and his improvements. When that comes about the native members of the reformed Councils will give expression to the new feeling, and, as a matter of course, Government will yield to the wishes of its people. But, until there is a clear expression of Indian opinion in favour of change, it is not advisable that the Government should take the initiative in this matter. There are whole fields of activity where the Government alone can lead, for the simple reason that they are outside the province of the cultivators of the soil, and probably are entirely unknown to them. But in all matters touching the everyday avocations of the great majority of the people Government should move only when it is sure that it is moving in accordance with their wishes.

There are many other ways in which a Government can assist its subjects to raise their standard of living. But it is unnecessary to enumerate all these, for if the Indian Government once recognises how incumbent it is upon it to labour with all its might to develop and train the intelligence, character, and general efficiency of the Indian people, and to provide them with the means of improving their condition, multitudes of new ideas will suggest themselves to the officials who are employed in this special work. Moreover, if the Indian Government calls into existence associations of the leading agriculturists throughout the length and breadth of India, and communicates freely with them, they will take care to press upon its attention the many urgent questions which are held to be important by them and by those for whom they speak. Government officials, however enthusiastic they may be in their work, cannot know all the wants of a people, and can learn them only by free communication with those who feel the pinch. The Prussian Government was early in recognising this fact, and in inviting to co-operate with it the natural leaders of all the great industries in the kingdom. The German Government has followed the example set by the Prussian, with immense benefit to Germany. Of course, a very large number of causes have contributed to bring about the progress which Germany has made during the past forty years, but certainly not the least potent of them has been the creation of associations for the purpose of considering the economic needs of the industries and the districts they represent, and of keeping the Government in touch with the requirements of employers and employed. The way in which the directors of the Prussian railway system are assisted by these associations in promoting the welfare of the whole community is a signal instance of what has just been said, and is well worth the study of all who desire to help in advancing

the condition of the people. It is only one example. A multitude of others might be cited. Indeed, it is a matter for unceasing admiration how ingeniously the great German bureaucracy has organised representation to assist it in developing to the utmost the prosperity of Germany, and yet has retained in its own hands all real power. If Fiscal Reformers, instead of wasting their time in crying out for Protection, would study the policy of the German Government, the pains it takes to inform itself as to the best means of developing all the resources of the Empire, and the persistent industry with which it labours to carry out the results of its inquiries, they would perform a very great service, and would contribute very materially to promote the welfare of the United Kingdom and of the whole Empire. However, it appears to be quite unnecessary to direct the attention of the reader to many matters which, though of much moment in themselves, are yet of minor importance compared with those which have been specially singled out for suggestion. There is, however, one subject which cannot be passed over without notice. It is the very great need that exists for banking facilities in India. For many years the present writer has been urging this special need upon the Government, and it is with pleasure he is able to say that it has recently taken the matter up and has made very considerable progress during the past few years in regard to it. But though the progress is of good omen for the future, it is very small when the necessities of the case are taken into account, and no excuse, therefore, need be offered for returning to the subject and pressing it once more.

Until a few years ago the native population outside of the large towns was almost entirely without banking accommodation of the right kind. From time immemorial there have, of course, been money-lenders in India. But the charges they made to borrowers were exceedingly

heavy. This is not said as a reproach to the money-lenders. On the contrary, it must be admitted that it was quite natural. In support of this statement it is perhaps enough to say that until the British peace was established security for life and property did not exist, or, if it temporarily existed, it depended on the life of a specially able and specially active sovereign or provincial governor, and was liable to be brought to an end at his death. Life and property, therefore, were too commonly held on a very insecure tenure until British rule was firmly established. For some time afterwards there was so much to be done that in justice it must be admitted the Government had not the time, much less the knowledge, to take up the question of banking. Consequently, the old system lived on with all its evil traditions. It is quite possible that the money-lenders were often men of better character than they have generally been described, and that it is somewhat of a libel on them to dub them all usurers. It would be like carrying coals to Newcastle to tell business men that no class in the community requires banking accommodation more than farmers, and that, therefore, to raise the purchasing power of the Indian ryots it is necessary that such accommodation should be provided. It is more to the purpose of this inquiry to point out to such readers as have not paid long and close attention to the economic condition of India that the most likely means of bringing about a change in a very bad habit is to call into existence a very great number of people's banks. It has been shown frequently already that during the thirty-three years ended with March 1892, India imported and kept gold and silver of the total aggregate value of 356 millions sterling, being at the annual average rate of about $10\frac{3}{4}$ millions sterling. In other words, in the course of a single generation India bought from other parts of the world and kept gold and silver exceeding by

fully 75 per cent. the enormous money indemnity which victorious Germany exacted from beaten France in the hope that it would render the latter incapable of undertaking a war of revenge. If the reader will consider for a moment he will see how immense would have been the influence upon the economic condition of our Dependency had this enormous sum been expended at the rate of $10\frac{3}{4}$ millions sterling yearly in developing the natural resources of the country. Think what it would have done in the way of providing India with adequate railway facilities, or how greatly it would have contributed to putting an end to drought had it been laid out in irrigation works. It is, then, of the very highest importance that by some means or other the people of India should be weaned of the habit of hoarding. It is hardly necessary to remind the reader that hoarding was practised almost universally in Europe until a comparatively late date, and that in the more forward countries the practice has been quite put a stop to by the general springing up of deposit banks. It is hopeless to expect that deposit banks of the European character will be established in India at an early date. But the success which has attended the efforts of the Government to found people's banks proves conclusively that India is prepared for them, and that they are likely to flourish exceedingly. Too much credit cannot be given to the Government for what it has done already, and it is earnestly to be hoped that it will not abate in its efforts. A number of neighbours combine together to found a bank to minister to the needs of the subscribers. The local government official encourages the movement, and doubtless wealthy natives of public spirit help it. It is obvious that a small number of poor people cannot subscribe a capital which can do very much in the way of raising the condition of the people. Therefore, it is necessary that the bank should obtain capital,

in addition to that subscribed by its members, from some source or other. Generally it is obtained from the Government. Doubtless wealthy and sympathetic native gentlemen assist. But the main source of supply is the Government. All the time, it will be remembered, there is untold wealth hoarded up in various forms, but chiefly as ornaments. Now if the hoarders could be induced to bring forward even a small portion of their hoardings they would make the movement almost instantly successful, and they would confer a benefit on the country which can hardly be estimated. If the members who subscribe to the bank are of the right class and if the bank is properly managed, in a very short time people will begin to see what good it is doing, and if it offers a reasonable rate of interest some of the hoarders are sure to reflect that it would be better to lend even a small part of their hoarding than to keep it all quite idle. Gradually the feeling would spread, and ultimately it may be hoped that it would cover the face of India with a network of popular banks which would not only provide the ryots with the banking accommodation necessary for their ordinary avocations, but also would stimulate private enterprise to undertake many things now undreamt of. Moreover, if once the habit of hoarding is broken in upon, and even a few are taught to recognise that it would be better to invest than to hoard, the change will spread gradually from the few to the many, and probably in a generation or two hoarding will die out as it has died out in the more advanced countries of Europe.

CHAPTER XXVIII

INDIA—(*continued*)

It is a matter of universal experience that in every country where there is not much security for life and property rates of interest are excessively high, and once they are established custom causes them to live on even after the circumstances that originally justified them have come to an end. But however may be explained the action of the so-called usurers, there is no doubt that the rates hitherto charged all over India have been to European notions exorbitant. Gradually the security of life and property came to be firmly established. Access to the courts was assured to all who were willing to apply to them. And the law was administered with impartiality, and was simplified and reformed to suit the needs of the country. Unfortunately, all this, which was done in the interest of the people, very often resulted in their undoing. When the law was made supreme the money-lenders, being more intelligent than the borrowers taken as a body, and, moreover, being so keenly interested in the matter, made it their business to understand the law pretty well, while the ignorant borrowers understood it little, if at all. Furthermore, British law-makers acted upon European notions, and gave powers to the lenders which enabled them very often to oppress the borrowers. One consequence was that the ryots, who, as was to be expected, applied in vast numbers for accommodation, obtained more than they were able to repay when the time came,

and consequently found themselves, in a large proportion of cases, so deeply in debt that the Government discovered that the money-lenders were ejecting the real cultivators in alarming numbers from their homes. Various remedies were adopted in different parts of the country, one of them being an alteration of the law intended to put a stop to the accumulation of peasants' lands in the hands of the money-lenders. It ought to have been obvious enough to the Government and its servants that all these make-shifts would fail, and that there was only one certain remedy, namely, the supplying of the agricultural population throughout India with ready banking facilities. It is hardly necessary to point out to the reader that there cannot be a flourishing industry of any kind where there are not banking facilities. And perhaps no industry requires those facilities more than agriculture, for agriculture stands in need of a very considerable capital. This is coming to be so well understood now that even in Europe there is a wide difference of opinion as to whether tenant farming or peasant proprietorship is the more advantageous. There is no need to discuss the question here at any length, but for the purpose in hand it seems well to remind the reader that, on the one hand, it is argued that the tenant need not sink permanently in the land what is for him a large capital, whereas the peasant owner must do so. On the other hand, it is contended that the magic of property acts as a continual spur upon the peasant proprietor, and that its influence makes up for the want of capital. Furthermore, it is pointed out that the peasant proprietor owning the land can borrow what capital he needs if his Government has sufficient interest in him and his welfare, and sufficient intelligence to provide him with good banking facilities. Reference is made here to this argument only to illustrate how completely opinion is changing here

at home on this matter. But it is manifest that if the small farmer, whether owner or tenant, stands in urgent need of frequent and ready banking accommodation even in Europe, his confrère in India must require such assistance far more urgently. For one thing, there is very much less accumulation of capital in India than in Western Europe. Therefore, it necessarily must be that the cultivator of the land in India has very little capital, and must feel the want of financial aid very often in the course of the year. For another thing, the cultivator of the land in India is liable to far greater risks, climatic and other, than is the tenant farmer or peasant proprietor in Western Europe. For a third thing, the Indian ryots conduct their business under conditions far more unfavourable than the European tenant or peasant proprietor. As has already been pointed out in this inquiry the means of reaching the great markets are in large measure wanting in India. For the ryots, therefore, it is a matter of the greatest importance that they should be able to borrow. They need money to buy cattle, for example, or to build a house, or to sow a field. If they have to go to the village money-lender he will charge them an exceedingly high rate of interest. Consequently, all their other difficulties will be aggravated by the necessity of having to pay this excessive rate of interest to the lender. On the other hand, if there existed in every locality a bank where accommodation could be obtained on reasonable terms the difficulties of the ryots would be greatly lessened.

In Europe this question has exercised the minds of many benevolent people for a very long time past. In France, as the reader knows, the Government long ago established a *Crédit Foncier* for the express purpose of ministering to the needs of the agricultural population. Of course, the *Crédit Foncier* does not by any means con-

fine itself to that. It lends upon town property as well as upon rural, and it lends even to the local governments. But the original Government idea was the service of the agricultural population. In addition to this, the Bank of France lays itself out to serve the peasant proprietor as well as the small trader of every kind. In Germany, Italy, and other Continental countries there have been established people's banks which render inestimable service to the agricultural population. In Ireland, Sir Horace Plunkett is doing a most admirable work in not only promoting co-operation amongst the peasant farmers, but also in bringing to their help people's banks modelled on the Continental pattern. In England and Scotland Sir Horace's work has encouraged other benevolent people to follow his example. In Egypt, again, Lord Cromer founded the National Bank for the purpose, among other things, of giving banking facilities to the fellaheen. After a while it was found that the work of the National Bank grew so rapidly that it was advisable to separate from it the agricultural branch of banking, and the Agricultural Bank of Egypt, therefore, was formed for the purpose of meeting the requirements of the agricultural population. Lord Cromer, still further to help the work, placed the services of the Government collectors of taxes at the disposal of the Agricultural Bank, so as to enable the latter to lend to the fellaheen at the lowest possible rates. From this very brief and imperfect survey of what has been done in Europe and in Egypt it will be seen that the Indian Government has a vast body of experience to guide it in providing banking facilities for the Indian ryots. It is, as has already been said, pushing on the work, and a considerable number of people's banks have been established. At the end of June 1909 there were in existence 2008 co-operative credit societies in India. When it is borne in mind that in March 1905 there existed altogether

only 41 such societies, it will be recognised how great has been the progress in the four following years. Moreover, we are told in the "Statement Exhibiting the Moral and Material Progress and Condition of India during the year 1908-09" that "the movement has almost everywhere passed out of the experimental stage; a large number of the societies are firmly established on a self-supporting basis, and they are winning more and more the appreciation and confidence of the people. Loans are well and punctually repaid. It is noteworthy that, in spite of the large increase in working capital, the amount lent by the State is but little larger than in the previous year." It is characteristic of the difference between the bureaucracy of Ireland and the bureaucracy of India that, whereas the Irish bureaucracy looks with suspicion upon the people's banks, and does nothing to help either their directors or their secretaries to learn their business, even grudges to lend to them for the purpose of helping the peasant farmers, the Indian bureaucracy plays an active part in founding the credit societies, supervises their actions, and takes every care that they shall not rush into bad business. Consequently, these small credit banks in India are growing at the rapid rate pointed out above, to the great advantage of the people, as the Indian Government itself in the quotation just made clearly shows. Still, though the progress being made is very satisfactory, it is earnestly to be hoped that the Government will not consider that it has now done its part and leave the banks to do the rest. After all, 2008 small credit societies is but as a drop in the ocean when we bear in mind that the total population of India exceeds 315 millions. Moreover, there is room for doubt whether the Government is proceeding in the wisest way in regard to these banks. It must be borne constantly in mind that, however able and public-spirited are the

members of the Indian Civil Service, they are exceedingly hard-worked, and that, moreover, they are not business men, and especially that they are not bankers. They are only too conscious that they do not understand banking. Therefore, they are distrustful of their own capacity to guide the movement they have set going.

In the "Statement Exhibiting the Moral and Material Progress and Condition of India during the Year 1908-09" an inclination is expressed to induce the village money-lenders to join the movement. It is to be hoped that the Government will think once, and twice, and even three times, before it decides in favour of that course. It is perfectly true, it must freely be admitted, that the village money-lenders have great experience as well as intimate knowledge of the people, and that, therefore, in some respects they are exceedingly well qualified to administer people's banks. Against this, however, it is to be borne in mind that the village money-lenders have inherited a tradition from times when money-lending was an exceedingly risky business, exposing the person carrying it on to unpleasant attentions, not only from the Government, but from all powerful people in the neighbourhood. Therefore, the village money-lenders are not likely to be inspired by a strong passion for the public interest, or to be very ready to cut down the rates charged to borrowers. It seems, consequently, highly desirable that the Government should pause and, looking at the matter in all its aspects, ask itself whether it would be wise to put itself and the peasant cultivators of the soil in the hands of the village money-lenders. As an alternative to such a policy I venture to suggest to it that it should call to its aid experts to advise it. There must be engaged in banking in India men who not only have a wide knowledge of the country and a thorough grasp of Indian banking in all its branches, but who also would gladly assist the

Government in improving the lot of the peasant cultivators of the soil. Would it not be worth the while of the Government to enlist a few of these men for the work which is here under consideration? A few would not, of course, be able to supervise the whole of the credit associations throughout India. But they would be able to choose the agents for supervising it. And, what is of not less importance, they would be able to create a system for giving instruction and advice to the members of the credit societies themselves. Besides this, they would probably be able to suggest some means which would possibly be successful in inducing some, at least, of the owners of the great hoards of gold and silver in India to bring them forth for the service of agriculture. The hoards, as has so often been shown, are of enormous magnitude, and if they could be utilised would help immensely to improve the welfare of the people. It may take a very long time to attract the bulk of the hoards. But it is possible that some of the hoarders already begin to see that they are acting foolishly in so using their wealth that it yields them no income. If there are such, competent Indian bankers might be able to suggest a means which would decide them to bring forth their hoards. In any case, the habit of hoarding is wasteful in the highest degree and ought to be put an end to if possible. Furthermore, the hiding away of such immense treasures is injurious to all enterprise in India. And without enterprise how can a country be made to prosper? Over and above this, if the Government can succeed in inducing the hoarders to bring out their hoards they will lessen materially the necessity for borrowing abroad for other purposes than banking on the large scale on which it is done at present. For if the hoards are once employed profitably the hoarders will be ready to invest them in other ventures. Stress is again laid here on the need for attracting the

large hoards now secreted, among other reasons, because of the fact that the people's banks cannot themselves find money enough to satisfy all borrowers. They need beyond their capital additional funds which, until depositing is understood and practised, must be obtained either by means of a guarantee from the supreme Government or the local governments, or by inducing wealthy natives to join the movement, or else by succeeding in persuading the hoarders of gold and silver to bring them forth. A small part of the hoards would suffice to enable the people's banks to grow rapidly all over India, and to do a work of incalculable benefit to the small cultivators of the soil. If the credit associations spread over all India and continue to prosper, they may prove the means of overcoming the suspicion on the part of the hoarders both of the Government and of all other parties. But to inspire such confidence it is absolutely essential that the management of these credit societies should be so good that throughout the country it will fill neighbours with the conviction that not only is it performing a most valuable work, but that all moneys confided to its charge will be perfectly safe. Therefore, it is exceedingly desirable that the Government should provide special and permanent means for instructing both directors and secretaries in their special business, and that, moreover, it should insist upon periodical publication of the conditions of the banks, and should itself, through some of its agents, inspect the banks from time to time. If all this is done it is scarcely possible to exaggerate the good that may ensue. If, for example, the banks inspire so much confidence that hoarders of gold and silver bring forth their hoards and deposit them with these small banks, an immense capital will be set free, which may result in a more rapid development of the resources of India than anybody now dreams of, and which, in any case, must

have a most beneficial effect upon the welfare of the agricultural population.

To ensure that popular banks, whatever title may be given to them, should be a complete success, it is necessary that they should be organised on sound principles, and that the Government should exercise over them careful supervision. In the United States, where the people are at least as self-reliant as in any country in the world, the Government, when it founded the National Bank system, established strict Government control over the new institutions. It established a department under the management of the Comptroller of the Currency, who has very wide powers over the National Banks. Nearly half a century's experience has convinced the people of the United States that the Government control is beneficial, and in all the suggestions that have been made in regard to currency reform one never hears it recommended that the office of Comptroller of the Currency should be abolished. Now, if in so advanced a country as the United States, where the people are so independent and so democratic, a system of this kind has been found necessary, it is plain that it is still more indispensable in a country so backward as India, where banks of the European kind exist only in the great cities, and are entirely unknown to the vast majority of the population. The popular banks called into being so far are under the control of the local officials ; and it is to be hoped will continue so. But it is not enough that a hard-worked Civil servant who has scarcely time to perform his regular official duties should be called upon to exercise supervision over these new institutions and to encourage the population to form more of them. There ought to be a special department created for supervising popular banks. In the first place, there should be some means provided for teaching the directors and staff what their proper duties are. That could probably be done

fairly efficiently by a comparatively small staff of travelling inspectors. Then, careful provision ought to be made for the regular keeping of the books, and for the equally regular auditing of them. Lastly, the head of the department should have power, as the Comptroller of the Currency has in the United States, to call whenever he deems it expedient for reports from the different banks setting out all the facts it is essential to know. And if necessary, it would be well to vest in the department power to close a bank which was exceedingly badly managed and hopelessly insolvent. That, however, would, of course, be a last step. What is wanted is to call into existence banks which will cater mainly for the very small people; the ryots and the small traders of the villages and towns. That being so, the object of the Government should be to enable the directors and managers to learn quickly the business of managing such institutions, and for that purpose it is obviously necessary that there should be a staff, itself expert in banking affairs and adequately paid, not only to teach the directors, managers, and secretaries, but also to ensure that there shall be proper book-keeping and proper auditing. There would be no difficulty in finding proper persons to perform these duties, for there is a large number of banks connected with India, and from the staffs of these the Government would easily be able to obtain the small number of persons which at first would be required.

PART III

THE CROWN COLONIES AND PROTECTORATES

CHAPTER XXIX

BRITISH EAST AFRICA AND UGANDA

THERE is no need to devote much time or space to the consideration of the economic policy which ought to govern the action of the United Kingdom in its dealings with the Crown Colonies and the British Protectorates. The principles laid down in the foregoing chapters are of universal application, and meet the cases about to be dealt with as completely as they do those of the United Kingdom and India. The first great principle is that education is the indispensable means by which a people can be raised in civilisation, and that to promote it the best efforts of the Government ought to be directed. But though a sound system of education supplies the most certain means of making a people efficient in all departments of life, it needs to be supplemented by many other things, and in the economic domain, with which this inquiry specially deals, it particularly requires to be supplemented by ample transport and banking facilities. Mistaken beliefs proverbially die hard, and there is abundance of evidence that the dislike of Government interference in business, and the fondness for reliance upon individual effort, are

still strong amongst a considerable number of people. These persons, however, should remember that the Crown Colonies and the British Protectorates are held by the Government of the United Kingdom because those several communities are incapable of governing themselves, and that the British people have taken upon themselves to fulfil the functions which in happier lands are discharged by Governments representing the peoples governed. Therefore, this country is bound to pursue such a policy in each and all as would be carried out by an intelligent, public-spirited, and competent native Administration. So far as it does this our justification for retaining these territories not only in our own eyes, but in the eyes of all the world, is complete, while to the extent that we fall short of it our justification grows less and less. This is, of course, the political aspect of the case, and in this series of articles the endeavour has been, as far as possible, to avoid politics and to look at the subject from the economic standpoint alone. Therefore, it may be well to point out to those who dissent from the views here propounded that very poor dependencies, sparsely populated and producing little, are a subtraction from, rather than an addition to, the prosperity of the Empire, and that even from the lowest and most selfish point of view it is incumbent upon the Empire at large to do what it can to improve the condition of all the backward portions of its territories. The British Empire, it is to be borne in mind, is the most extensive in the world. It has the most diversified climates. Its soils are capable of producing almost everything that man requires. Consequently, an intelligent and well-organised management of the resources of the Empire is capable of multiplying many times the well-being of every portion of it. The Motherland, to begin with, is a great manufacturing community, and draws the raw materials of its manufactures from distant

portions of the globe. Trade does not always follow the flag, it is true. For instance, owing to its propinquity to the United States, Canada does a larger trade with that country than with the Motherland. But though there are exceptions, the general rule is that the outlying portions of the Empire do a larger trade with the Mother Country than with any other State.

It follows that in so far as we help to augment the purchasing power of the oversea possessions of the Crown we increase our own trade with them. Over and above this, it is to be recollected that, as has been already said, the United Kingdom is a great manufacturing country, and that it draws a very large part of the raw materials of its manufactures from countries beyond sea. Unfortunately, bad harvests, mistaken fiscal policies, "corners" in particular industries, and the like, often make it difficult for British manufacturers to supply themselves fully and cheaply with raw materials from countries not under British rule. It follows, therefore, that it is of great importance that the cultivation of such raw materials in the parts of the Empire fitted to grow them should be assisted and encouraged in every way. Such assistance and encouragement benefit the outlying portions of the Empire in which the raw materials are produced, and they benefit, likewise, the United Kingdom by increasing the general production, and so counteracting bad harvests and defeating "corners." Again, the self-governing portions of the Empire, while they are still mainly agricultural, and will continue to be such for many a day, yet are striving earnestly to become manufacturing also, and, therefore, it would be beneficial to the less advanced portions of the Empire if they could find a market for their productions not only in the United Kingdom, but in the self-governing Dominions and Common-

wealths also ; while it need not be pointed out that it would be equally beneficial to the self-governing Dominions and Commonwealths if they could obtain from within the Empire, as well as from outside it, the raw materials of their nascent industries. Buyers and sellers, in short, would benefit one another, and in so doing would add incalculably to the prosperity and power of the whole Empire.

The promotion of inter-Imperial trade is a thoroughly sound policy, but not in the sense in which Tariff Reformers conceive it. It would, in reality, be injurious rather than beneficial to the outlying portions of the Empire if we were to force by artificial means industries which, unprotected, could not withstand foreign competition. For the policy of great communities is liable to change from time to time, and if the policy which had forced into existence these artificially protected industries were to be abandoned the industries would instantly begin to languish, and ultimately would perish. But while artificial means are always mistaken, there are natural means which ought to be adopted, and which are not only approved by sound policy, but are a moral duty. We have brought under our sway a very large portion of the earth's surface. In so doing we have taken upon ourselves to promote in every just manner the welfare of the people over whom we have assumed sovereignty. If we fail in that plain duty it is a moral shortcoming on our part. On the other hand, if we fulfil it we discharge our duty to the subject populations, and at the same time we enrich those populations, and we augment our own trade and the trade of the whole Empire.

If the communities within the Empire which are not self-governing were really capable of managing their own affairs they would aim at improving their material condition. When we take upon ourselves to manage

their affairs for them we pledge ourselves to them and to the world at large that we shall to the best of our ability fulfil the functions of an enlightened and competent Government. It is unnecessary to continue the argument further; it will be more useful to point out that there is a very great and important work before us in the Crown Colonies and the Protectorates. Ex-President Roosevelt, in his speech at the Guildhall, spoke enthusiastically of the resources of British East Africa and Uganda. He recognised, also, in most generous fashion, the work our officials have done and are doing in the Egyptian Soudan. The Commission, presided over by Lord Sanderson, to inquire into Emigration from India to the Crown Colonies and Protectorates, it is true, does not take so favourable a view of the prospects either of British East Africa or of Uganda. The ravages of sleeping sickness have greatly impressed the members, although medical men have done wonders in reducing the mortality of that terrible disease. But whatever may be the correct view in regard to these two countries, there is no question at all that they and the Soudan have great potentialities. In them we have a vast portion of the earth's surface waiting for settlers to open it up, to develop its resources, to furnish homes for untold millions of white men and coloured men. Can there be a nobler or more inspiring task than to found in those regions great communities which one day may rival in prosperity and power the great English-speaking communities at the other side of the Atlantic and in the Pacific?

Putting the Soudan aside for the moment, and confining attention to British East Africa and Uganda, we have in the first, if ex-President Roosevelt is right, a country capable of becoming a white man's land. Other visitors could be cited who take the same view as the ex-President. At the same time there must not be left out of account the

conclusion to which the Commission just referred to has come. Probably the explanation of the difference between the Commission and Mr. Roosevelt, and those who agree with him, is that the latter believe that sleeping sickness can be extirpated, while the Commission does not. There is no question that much has been done to abate the fatal effects of sleeping sickness. There appears to be no doubt that it is caused, or at all events spread, by the tsetse fly, and that if this insect could be exterminated the disease would disappear with it. Up to the present all efforts to kill off the pest have failed. But it is to be borne in mind that we have been in occupation of the country a very short time, that the white population is a mere handful, that the natives have not the intelligence to co-operate properly with the white settlers, and that what we have not been able to do in a few years may be done completely by and by when the whole question is more advanced. Ex-President Roosevelt, and generally those who agree with him, recommend that the Protectorate should be made a white man's land.

The colour prejudice does not commend itself to the moral sense, nor does it appear consistent with sound policy. It seems altogether wrong in principle to shut out British subjects because of their colour from any part of the Empire. Furthermore, it is open to doubt whether British white settlers alone could fully develop the resources of the Protectorate. But the question can stand over for the present. As a matter of course, it must be admitted that every portion of the Empire which can become the home of British settlers ought to be developed without avoidable delay, and every measure should be taken to encourage settlement in it. We have at home a large proportion of people sunk in misery. Probably not many of these are fitted to become successful settlers in an entirely new country. But judicious action on the part of the

Government could select such as are so fitted, and could aid in bringing about a state of things which would promise that the settlers chosen would have a fair chance of becoming prosperous in their new homes. Furthermore, the climate is favourable and the soil is fertile. East Africa is probably capable of producing many things that are needed in this country. There ought to be, therefore, no delay in investigating the capabilities of the Protectorate with a view to the development of its resources.

Coming next to Uganda, it offers one of the few remaining opportunities for settlement on a great scale by Indians. When dealing with Indian problems it was pointed out that one of the most urgent needs of the country is to provide facilities for emigration on a great scale, for the purpose of lessening as quickly as may be the poverty of the people and of giving an opportunity to rise to those who remain at home. It was recognised, at the same time, that Uganda would probably offer a most favourable field for self-reliant and enterprising Indians who had command of a moderate capital. But a doubt was expressed whether very poor Indians ought to be encouraged to go to a country where there is not at present a large resident population, and where, therefore, there is not a sufficient accumulation of capital to assure employment at a remunerative wage. It was, furthermore, suggested that the Indian Government should study the question. But a doubt was expressed whether, considering the multiplicity of matters that are pressing for Government consideration, it would find the time or the opportunity to enter upon an emigration policy.

That being so, it becomes necessary to invite the attention of the Home Government to the matter. It is impossible to expect that other countries desirous of promising colonies will tamely submit to our holding Uganda if we take no measures to populate it. It is quite

true that we admit freely to it white natives of every State, and that, therefore, European Governments cannot object that we exclude their subjects. But foreign Governments may object that we hold an immense territory and yet fail to turn its capabilities to a good account. Therefore, to justify our permanent retention of Uganda we ought to adopt an active policy of settlement, and especially we ought to consider seriously whether it would not be practicable to organise Indian settlement on a considerable scale. It is true that we have not had much experience in modern times of Indian settlement upon a great scale. But there must be a beginning to everything. Indians, at all events, are industrious, law-abiding, and easily contented. Therefore, there is reasonable ground for anticipating that if the proper conditions were created Indians might form a very useful and fairly prosperous community in a new land such as Uganda. On the other hand, all the reports encourage one to believe that Uganda has vast resources, and that, given the requisite enterprise, capital, and labour, it might be able to add very materially to the prosperity of the whole Empire. It might, for example, produce raw material for industries now existing, as well as for other industries not yet existing, and thus it might stimulate the prosperity of the United Kingdom while enriching its own people.

On the other hand, it must not be overlooked that Lord Sanderson's Commission is very doubtful respecting the success of Indian settlement in Uganda. Such settlement has often been suggested, for the exclusion of Indians from South Africa, Canada, and Australia naturally excites a very bitter feeling in India, which it is desirable to abate as far as possible. Moreover, India is overcrowded for its present stage of development. Of course, India is capable of feeding a much larger population than she has now, but not until her resources are far more developed

than they are as yet. In her present stage of development there are not the means of sustaining in even tolerable comfort the population she has. Therefore, it is desirable that, if possible, Indians should be enabled to emigrate from their own country to some other land where there are grounds for believing that they could prosper in numbers sufficient to materially raise in India the level of wages. Unfortunately, Lord Sanderson's Commission points out that the mortality caused by sleeping sickness is fearfully great, and that the attempts to exterminate the tsetse fly have failed. Therefore, it concludes that Indian settlement ought not to be permitted in any portion of the country liable to sleeping sickness. From which it appears that the utmost it ventures to recommend, and even that much in a half-hearted way, is that certain districts where the fly does not exist, and which, therefore, are healthier, should be chosen for such settlement.

While all due weight should be given to this pronouncement, it ought not, at the same time, to be accepted as conclusive, for the Commission did not visit the country, and hardly spent enough of time upon its inquiries—which, it is to be recollected, covered the whole of the Crown Colonies—to qualify it for giving a decisive opinion. Taking all these things into consideration, it seems to follow necessarily, therefore, that a new Commission should be appointed to visit Uganda and take evidence upon the spot, that India should be well represented on the Commission, and that there should be included at least one eminent medical man familiar with new countries of climate similar to that of Uganda. Past experience seems to show that when new countries are settled the climate improves, and diseases once supposed to be beyond the reach of science are brought under its control. That, it need not be said, would be no excuse for sending out Indians to settle in a country where fatal disease is very

prevalent. Clearly immigrants ought to be made fully acquainted with the character of the country and the dangers to which they are exposing themselves. If enterprising individual Indians choose to settle in the country they ought to be as free as other people to do so. But for the Government itself to organise a settlement it ought first to convince itself that it will not be exposing Indian settlers to serious dangers. But whatever may be the final decision respecting India, there is no doubt at all that India would be benefited if a large emigration of Indians could take place. Furthermore, there is no doubt at all, as has just been urged above, that, whoever settles in the country, the Government ought to take all the measures necessary to promote settlement.

The Committee of the London All-India Moslem League, in a representation to the Under-Secretary of State for the Colonies, objects strongly against the recommendation of Lord Sanderson's Committee that Indian settlement should be limited to certain districts. In principle it is easy to understand the grounds of the objection, and to a certain extent it is difficult not to sympathise with the members of the Moslem League. But it would be unjustifiable on the part of a Government to send out its subjects to settle in a plague-ridden country. Therefore, it is the plain duty of the British Government to institute a really searching inquiry by thoroughly competent persons into the whole question, so that it may be able to discharge its obligations both to India and to Uganda.

CHAPTER XXX

BRITISH EAST AFRICA AND UGANDA—(*continued*)

HAVING taken possession of British East Africa and Uganda we are bound, as already said, to make the best use of them. But to make the best use of them means that we provide them with inhabitants as soon as practicable. The real wealth of every country consists of its people. Until there is a people a territory has potentialities, of course, but no real value. Therefore, to put off indefinitely colonising would be to pursue a dog-in-the-manger policy well calculated to provoke challenge. However, before we undertake systematic colonisation it is our bounden duty to endeavour with all the means in our power to eradicate sleeping sickness. It is accepted by all authorities that sleeping sickness is neither contagious nor infectious in the ordinary sense of these words; but that it is communicated by the tsetse flies which swarm about Victoria Nyanza. The horrible disease has been very greatly reduced. Yet the impression prevails that the entire destruction of the fly is impossible, and, consequently, that the disease will continue indefinitely. All experience tells us that the settlement of a country leads gradually to a great mitigation of the diseases to which it is liable. Possibly, therefore, even if no organised attempt were immediately made to exterminate the tsetse fly sleeping sickness might gradually lose much of its virulence. But for all that we should not be justified in entering upon a great organised

system of colonisation until we had made an equally organised and earnest effort to utterly destroy those pests.

It is sometimes objected that the fly is confined to certain districts where conditions favourable to it exist ; that, therefore, a large part of both territories can be settled ; and, consequently, that an organised early attempt to extirpate the fly is not necessary. Furthermore, it is sometimes objected that we are not justified in exposing valuable lives for the sake of settling those territories. Colonel Seely, in a recent speech in the House of Commons, truly said that no greater heroism has ever been shown than has been exhibited by the medical men who took their lives in their hands in the hope of being able to get rid of sleeping sickness. Therefore, it does seem rather inhuman to ask men of such heroism to go on exposing their lives when the success attending their efforts up to the present has been less complete than was hoped for. But it is to be recollected, firstly, that every day in the year, and in every country in the world, medical men are exposing themselves to contagion and infection to which they very often succumb. Furthermore, it is not to be forgotten that men of the heroic mould described by Colonel Seely are not likely to give up their efforts against sleeping sickness by the mere knowledge that they are risking their lives. Zeal for their profession, desire to mitigate human suffering, ambition to succeed where others have failed, all urge them not to abate their efforts until they have extirpated the fly. Whether we encourage them or not, therefore, it is reasonably certain that medical men will continue the fight with the tsetse fly, and if they do, is it not probable that as much life will in the long-run be lost in isolated and badly organised attempts to get rid of the disease as would be lost if a great and well-organised effort were set on foot ? Lastly, it is not to be forgotten that the natives die of the disease in

very great numbers every year, and that, as we have occupied their country, and made ourselves the disposers of their future, we are bound in honour and conscience to do for them everything that is in our power, all the more because they are in so low a stage of civilisation that they are incapable of doing anything effectual to mitigate their own sufferings.

Having done all that is possible in the present state of our knowledge to make the two protectorates healthy, the next step which ought to be taken is to open up the whole territory, not in the slow and half-hearted manner now pursued, but energetically. It is out of the question to expect that either territory will be properly settled without good railway accommodation. All experience tells us that population follows the railway. Consequently, if we build railways in adequate numbers and rapidly there will be little delay in settlement, especially if we make the country more healthy and give the necessary encouragement. In the United States and Canada the building of railways in unoccupied territories has been by companies assisted either by the national Government or by the local governments, often by both. Furthermore, grants of land have generally been made by the Government or the State. On the other hand, in Australia and in South Africa railway building has been by the Government or governments. It is quite true that the Governments both of Australia and of South Africa have been accused of mixing up party with their railway policy, of selecting men for the control of the railways from party considerations, rather than because they were the fittest for the purpose, and so on. But charges equally damaging have been made both against the American and the Canadian railways. At the present time, indeed, popular hostility to the railways is so great in the United States that it has forced two successive administrations

into a struggle with the railways to bring them under national control. In Canada, likewise, every reader of the newspapers is aware that charges of corruption are common. Consequently the accusations against the systems prevailing cannot weigh much with the thoughtful man. All systems are accused, and as we have no means of ascertaining whether there is or is not ground for the accusations, we must put them altogether aside. Which is the better system can be decided upon only by considering which is the best calculated to serve the public interest. It seems plain that the wisest policy is construction by the Government.

In new countries like British East Africa and Uganda it is certain that a railway company will not be able to raise capital sufficient for the purpose of opening up these territories except in one form or another it gets assistance from the Government. This is proved conclusively by experience in both as well as in the United States and Canada. But why should the British Government, whose credit stands so high, sacrifice a future asset of great value to the future inhabitants of the country by calling in a company or companies to its assistance? If it gives simply a guarantee to a company, the company really is working with a capital which is the produce of the credit of the British Government. It is, therefore, if the enterprise turns out well, receiving reward for a capital it did not itself provide. If, on the other hand, the assistance is given in the shape of large land grants a very considerable part of the soil of the country is alienated, and goes to swell the profits of an unnecessary assistant. In the United States at the present day it is recognised that the resources of the country have been wasted in the past, amongst other ways, by the manner in which assistance was given to limited liability companies engaged in railway construction. Our Government should realise all this,

and in opening up British East Africa and Uganda should take great care that it does not in any way waste the resources of those territories. It has the experience of other countries to guide it, and it ought to be warned by that experience.

But it is objected that companies work more efficiently and cheaply than a Government. It is by no means certain that that is so. The Post Office and the Admiralty are generally believed to be efficient and economic ; while it would be easy to point out companies which are neither. As a matter of fact, there is no reason why a Government should not be as efficient in every sense as a company. Whatever care might be taken in forming railway companies for the two territories here under consideration, it may be taken for granted that the directors would have little personal knowledge either of British East Africa or of Uganda. One or two might have spent a time in either ; but the strong probability is that the directors would be chosen for reasons in no way affected by their ignorance of the countries in which the companies are to work. Moreover, if such companies were formed the directors would, it may be taken for granted, reside in London and would manage their business from London. They would have to choose here in London those who were to lay out and construct the several lines, and they would be very much at the mercy of the persons chosen for these purposes. Why should not a Government be able to select a competent and honest contractor to build the requisite lines ? And when they were built why should it not be able to select a competent and honest manager ? Very much, of course, would depend upon the composition of the Government. If we are content with men who have no knowledge of business, who never have worked, and never intend to work, of course business will be muddled, and we shall have to pay for our snobbery. If, on the

other hand, we insist upon having men in the Cabinet who really are efficient, there is no reason why they should not be able to arrange for the construction of railways in East Africa as well as any company.

Over and above all these considerations, we have to bear in mind that the British Government, representing the British people, is acting as a trustee for the people who in the future are to compose the dominion, commonwealth, or whatever it is to be called, of British East Africa and Uganda, and that it is bound to see that no part of their inheritance is muddled away. It is obvious that if land grants of magnitude are given to railways the whole land policy of the future communities is prejudged. They will have no means of altering it. On the other hand, if no such grants are made, it will be at the option of the people to decide what is to be their land system. Again, if such land grants are made, and the railway or railways construct towns on those grants, the building sites will belong to individuals, and the future policy of the community will again be prejudged. On the other hand, if the Government retains the whole land in its own possession, it will be at the option of the future inhabitants to adopt a policy of unearned increment without violating any established right or doing injustice of any kind to any individual. Finally, it is often urged that companies are much better fitted to attract immigrants than any Government can be; that companies are trading enterprises; and that traders are better qualified for dealing with immigrants than any Government is. If this argument means that companies trading for profit will adopt any course of conduct likely to increase their profits largely and quickly, it is one decidedly against the employment of companies.

No doubt unscrupulous men, if they got into control of a company which was constructing railways in the terri-

tories here in contemplation, might employ agents to decoy unwary persons, and they might also come to arrangements with shipping companies. But such practices ought not to be encouraged. On the contrary, they ought to be sternly repressed. A Government should, in the first place, be careful in selecting the right kind of persons for settling and prospering in such countries as British East Africa and Uganda. It should, of course, welcome all comers if they were likely to prove desirable settlers. But it should especially aim at attracting British subjects. The work of preparing the two territories for settlement will be accomplished by the British Government with British enterprise and British money. Therefore the Government should aim at attracting British settlers. And, consequently, it should not employ any agents who, in the hope of snatching an early profit, might employ unworthy means or attract undesirable immigrants. For all these reasons, and others that might be enumerated, it seems clear that the Government ought to construct the railways itself, that it should raise the money by means of a loan or loans, and that it should " earmark " these loans. If it adopted that policy it is obvious that as immigration augmented and settlement proceeded along the lines of railway, the railways would begin to yield a profit, the service of the debt after a while would be met out of the profit, and, finally, when self-government was granted, there would be a most valuable asset to hand over to the new Government.

Everybody is agreed that large portions of both territories are fertile, that they are capable of growing things in large demand, such as rubber, cotton, coffee, and so on, and that if settled they would, therefore, be of immense value to the Empire. As every reader knows, the supply of raw cotton at the present time is hardly equal to the demand. Cotton manufacture is everywhere growing,

and is likely to grow for many a year as population and wealth increase. On the other hand, the production of the raw material does not augment in an equal ratio, partly because of the growing consumption which every year increases the demand, and partly because, for one reason or another, the crops very often do not turn out as well as is expected. It has been pointed out in the foregoing pages how much might be effected to lessen the injury now done to cotton, as well as to other crops, if the right means were adopted, and some of those means have been suggested. But there is no need to enter into that now. The important thing is that the demand for raw cotton tends to exceed the supply.

In the year 1909-10, owing to the comparative failure of both the American and the Egyptian crops, the demand so greatly exceeded the supply that short time became common at all the great manufacturing centres. In consequence of this and other circumstances needless again to go over, it would be a benefit if the growing of cotton could be introduced and extended in the portions of the British Empire suited for it. This is another reason for exerting ourselves to hurry on the settlement of British East Africa and Uganda. Then, again, every reader is aware of the strong demand existing at present for rubber, while it is believed that rubber can be grown in both territories. Therefore, there is every prospect that if the country is made more healthy and immigration is conducted on sound principles upon a large scale the two territories here being passed under review would quickly become prosperous. The Sanderson Commission, as already said, is of opinion that the climate of Uganda, even if sleeping sickness was entirely got rid of, is not favourable to white settlers. Whites suffer from malaria. The Commission thinks, consequently, that Indians would be much more suited to the country. But even for Indians

they say that portions of the country are not suitable. This, however, is mainly owing to sleeping sickness. If that could be got rid of it seems to follow that all parts of Uganda would suit Indians. Regarding British East Africa, the Commission is much more favourable to the settlement of whites. But the Commission does not believe that every part is suited for whites. Apparently there are considerable portions of the Protectorate in which whites cannot work in the open. They may act as overseers, but actual working, we are told, is too much for them. On all these points, however, the decision of the Commission must be taken with reserve, for they have based all their conclusions upon the evidence taken. They themselves did not visit either territory. Nevertheless, the opinion of some of the witnesses is of the highest value, and cannot be lightly set aside. Therefore, what has already been urged may be repeated here, namely, that there ought to be a special commission sent out to inquire into the suitability of these two territories for colonisation, and also to inquire of what races the colonists should be.

CHAPTER XXXI

BRITISH EAST AFRICA AND UGANDA—(*continued*)

BEFORE proceeding to organise colonisation upon a large scale the Government ought clearly to make up its mind on what principles it is to be conducted. Where it is possible a new State in the British Empire ought not to be called into being in which there shall be a kind of white aristocracy ruling over semi-servile coloured races. The Sanderson Commission estimates the number of coloured people in British East Africa and Uganda at about four millions. Consequently, if whites settle in the country at all, they will be a kind of aristocracy in regard to the natives. That clearly cannot be avoided. But it is admitted that Uganda is much more fitted for Indian than for white settlement. Therefore, the Government ought, as far as it can, to make such arrangements, if it encourages the emigration of Indians to Uganda, as will prevent them from becoming either a ruling oligarchy or a kind of subject race. Clearly it will be impossible for the Indian Government very long to resist the demands of the Indian people for settlement in Uganda. For very many centuries Indians have emigrated to every portion of East Africa, and to-day there are a considerable number of them, mostly petty traders. There are also a large number of Indians employed as soldiers, navvies, and so on. The Indian people are very restive under the refusal of the self-governing colonies to admit Indians as settlers. Therefore, unless we are to make the condition of India

politically worse than it is, the emigration of Indians to Uganda cannot be resisted. But if it is to take place at all it ought to be conducted either altogether by the Indian Government, or at all events it ought to be supervised by the officers of that Government. Indentured labour ought to be stopped at once. In spite of all plausible arguments in its favour, it is not a system of labour to be encouraged. Besides, if emigration is to do India any real good it must be on a scale sufficient to affect wages. Therefore, there should be a provision made for settling Indians on the land. One of the witnesses before the Sanderson Commission justly observed that small Indian traders are not required. What is wanted is farmers and labourers. Both of these India can supply if the necessary care is taken by the Government to ensure that the right kind of emigrant shall be selected. Over the greater part of the Protectorate, as has already been seen, Europeans cannot work. Therefore, if proper precautions are taken to settle the Indians upon the land, they need not become a subject race. Neither ought they to be allowed to make the natives mere hewers of wood and drawers of water. Provision ought to be made at once for giving the latter a sound system of education, and they ought to be free to rise to any position in the Protectorate.

If the opinions now held are correct, and the climate of Uganda is unfit for Europeans, not many whites will settle there. The portions of the country suited for cotton-growing and other enterprises on a considerable scale will probably be owned, at all events in large part, and likewise managed, by Europeans. But the rest of the country, where the tsetse fly does not exist or becomes extirpated, can apparently be settled by Indians, while, of course, ample provision ought to be made for the natives. Hitherto our Government has not paid due attention to the interests of the natives in any portion of

the Empire. It has set aside reservations for them, and it has recognised and allowed to continue the native clan system. But it has not exerted itself in the way that might be expected to raise the natives in the scale of civilisation. That ought to be undertaken at once, and a sound system of education should be framed without delay. Obviously the education must be through the medium of English, firstly, because the native languages have no literature—have not even, so far as the writer knows, been written—and, consequently, before education through them could be undertaken a literature would have to be manufactured, or at least school books in the native languages would have to be compiled; secondly, because only Europeans can give education, and Europeans are not likely to learn the native languages and to write the books necessary for giving instruction. It seems, therefore, to follow necessarily that the education must be given in English. But manifestly it is an extremely difficult thing to teach savages in a language they do not know. It is not probable, then, that education will make much progress for a long time. Therefore it is to be feared that the progress of the natives will be very slow, and that, unless the most energetic precautions are taken, they will become a semi-servile part of the population, which is good neither for the dominant race nor for the subject race. It is not easy, however, to find a way by which such a result can be prevented, seeing how low in the scale of civilisation the natives are and how pushing and enterprising the whites are. If the country is opened up, as has just been urged it should be, population of one kind or another will pour in, will follow the railways, and will create wealth. In consequence of that the natives also will multiply, for internal strife will be put down with a strong hand. While, as has been suggested above, it is to be hoped that energetic means will be adopted for putting

an end to sleeping sickness and generally increasing the healthiness of the country. Therefore the prospect seems to be, if matters are allowed to drift, that Uganda, like South Africa, will have a coloured population which will be mere hewers of wood and drawers of water.

Passing from these points, let us inquire what ought to be the land system of both territories. Reasons have been given a few pages back for holding that the railways ought to be built by the Government itself, and ought to be retained by the Government until the settlers have become an important community, worthy of being endowed with self-government. One of the reasons assigned for the conclusion arrived at was that in that way the land policy of the new communities would not be prejudged. As an accident of conquest chiefly, individual ownership of land has come to be adopted in most European countries. It does not exist, as we know, in the larger part of India—at all events, amongst the ryots. And until a year or two ago it did not exist generally amongst the peasants in Russia likewise. There was a time, in fact, when it existed nowhere. Indeed, it is not very long ago since the full ownership of the land came to be vested in private persons even in England. Nevertheless, since private ownership of land has become the established system in the more forward countries, it has been very generally held that such a system is required in the interests of civilisation. But of late opinion on that point has been changing. In saying this reference is not made to the kind of wild, unreasoned theory that passes under the name of Socialism. The reference is to real thinkers who are endeavouring to modify, at all events to some extent, extreme individualism in regard to land by promoting co-operation, and to other thinkers who go very much farther. In the United States and in our own self-governing colonies, it is taken for granted that individual owner-

ship of land is the natural and right system—indeed, the only one that secures real prosperity. As a matter of fact, individual ownership of land has so far been only a partial success either in the United States or in our Colonies. Every person who has travelled widely in the United States must have often asked himself, Where is the rural population? so exceedingly sparse is it. There are great towns in abundance, but there is little evidence of a rural population. Greater New York is, in population, the second city in Christendom, and Chicago is following close upon its footsteps. There is a multitude of smaller, but still large, cities all over the United States. Again, the whole population of the State of New South Wales is only 1,591,673, but 592,100, or 37·2 per cent. of the total population, is contained in the single city of Sydney. Evidently, then, private ownership of land, though it can be acquired on exceedingly easy terms, does not ensure the settlement of a large population on the land, nor does it prevent overcrowding, with all its attendant evils, even in the very newest countries. Every person who has visited the United States and explored the poorer quarters of New York is aware that overcrowding, poverty, and distress are almost as great as in European capitals. There is likewise in the great American cities a deplorable excess of child labour. In short, the tenement houses of New York have little to boast of over the slums of London. Chicago, again, presents as much poverty and distress as European great towns, and even more crimes of violence and general lawlessness. The same may be said of every great American city. It is quite true, of course, that New York is the port at which the vast majority of foreign immigrants to the United States land. Many of them are miserably poor and settle down in the big towns, where they can most promptly find employment. But it has been shown that New South Wales, the oldest of the Australian

colonies, and yet one to which emigration has not been on a great scale, is suffering from the same disease as the United States. Furthermore, private ownership of land has not ensured good cultivation. Every one, indeed, who has studied the growth of the United States must have been convinced by what he saw that what has just been said is true—for example, the West has been settled mainly by immigrants from the East. There has been an incessant pushing forward from the Eastern and older States of the Union, first to the Middle West, and then to the West. And this constant migration is, to a very considerable extent at least, caused by the habit American farmers have imbibed of cultivating the lands on which they settle as long as their natural fertility lasts, and then passing on to new soil, not incurring the expense of providing proper fertilisers. Even now, when the West is being rapidly filled up American farmers in immense numbers are leaving the Union and settling in Western Canada. Moreover, what is true of the United States is true equally of Canada.

It will be seen, then, that individual ownership of the soil does not ensure good cultivation. Lastly, individual ownership of the soil does not ensure industry and thrift. Any one who is familiar with any large American city is aware how much poverty and misery it contains. It may be objected that the immigration from Europe is on an immense scale, that every year the class of immigrants is becoming poorer and less civilised, and that it is not surprising, therefore, that there should be a residuum of wretchedness. Well, let us, then, look to Australia, whither for many a year there has been no rush of poor emigrants, and we see that the "sundowner" is a recognised institution. In spite, then, of all the idyllic writing about the magic of property, it is clear from experience in many climes that private ownership of land has not the virtues generally attributed to it. It may be asked, then,

Why should a community which does not intend to settle either in British East Africa or in Uganda determine beforehand what is to be the land system of these two territories? Why should not the Government of that community leave the question open, to be settled after full experience by the inhabitants themselves? Suppose, for example, that it is found that British East Africa really is suited for colonisation by whites, that they can work on the land under the hottest sun and prosper, why should it not be possible to induce immigrants to settle upon the land as tenants, if you like to use the name, though it is not quite what is here being suggested? Suppose a plot of land is offered to any white family that is willing to settle upon and cultivate it, and that no payment of any kind is asked from the settler for three years, or five years, or whatever may be considered a reasonable period; that after that time he is required to pay a very modest rent, say 6d. an acre, or, again, whatever sum is considered reasonable; and that he takes the land on such terms with the proviso that there is to be a new assessment at the end of another period of from ten to thirty years, as may be deemed most expedient, and with the further condition that he should not exhaust the fertility of the soil in a few years and then pass onward. If that were done it would be possible to get rid of the bad husbandman, and clearly a very modest rent of 6d. or 1s. an acre would not be a burden that any industrious man would seriously feel, especially if he were not asked for any payment until three or five years had expired, and had given him the opportunity to raise crops quite sufficient to support himself and his family and to leave something for a rainy day.

Again, suppose that when a town lot is laid out the builder is granted land for building on a lease, why should he refuse to accept such a proposal when he has been

accustomed all his life to a precisely similar system at home? In other words, why should it be possible for a landowner in towns at home to induce people to take leasehold property and build upon it, and quite impossible for a Government to institute the same system in a new colony? Suppose the system were to prove acceptable the land would remain the property of the State, and in time would acquire high value, for everywhere the value of town lots rises as towns increase in size and prosperity. Thus, without any encroachment upon vested rights of any kind, the advantages of the unearned increment would be secured. Ultimately, when the new community becomes fit for self-government, it would be at its option to continue the system it finds established, or to adopt any other system it prefers. In the meanwhile the Government has fitted the land for occupation and cultivation, and has prepared the way for the growth of towns, and, furthermore, has kept open for the people themselves the choice of the land system that is to prevail. There seems no reason why the suggestions just made should not be at least as acceptable to Indian settlers as to whites. It has already been said that every precaution should be taken to prevent Indian settlers in Uganda, let us suppose, from becoming a semi-servile caste; that, therefore, they ought to be settled on the land; that they ought, furthermore, to be provided with a good system of education; and that they should be encouraged to cultivate the soil and to save. In their own country they have been accustomed from time immemorial to pay rent for the land. There seems no reason why they should revolt against the system in a new country. And the advantages which have been pointed out in the case of whites would be secured equally in the case of Indians.

There is the further question whether the Indian

village community system should be maintained. There would probably be no necessity for such a system, since it is hardly probable that settlers in any one district would all come from the same locality in India. In that case they would not have been accustomed to act as members of the same village community. But clearly the question ought to be very seriously considered by the Government whether Indian settlers should be imported, not only with their own religions and their own languages, which it is taken for granted must be continued, but also with their own customs in regard to local government. Respecting the natives, it is almost inevitable that their clan system should be respected. If it were broken up the great majority of them would either become mere pariahs or they would probably be difficult to deal with. Under the rule of chiefs, to whom they are accustomed to look up, they could at all events be more easily managed. Probably also the Government would find it easier to civilise them through the instrumentality of their chiefs. At all events, it ought to be easier to manage one single chief than all the tribe around him. And, therefore, there are practical advantages in retaining the chiefs, at least for a while, though, of course, there are strong objections to it from other points of view. It is the bounden duty of the British people to take every precaution to shield these new colonies from the evils from which the older colonies, with a white aristocracy ruling absolutely over subject coloured peoples, are suffering. Even in the United States, where whites and blacks have lived together so long, the racial animosities are cruel in the extreme and seem incapable of being kept in control. Similar communities more recently formed will have the same dark future before them. Therefore, we are bound to do what we can to guard against the danger. It will be extremely difficult. The whites at present are alone capable of ruling. They are pushful and

enterprising. And they reckon on being supported, whatever happens, by their kinsmen at home. But though we can hardly hope to prevent the evil altogether, we can at all events take thought and trouble to diminish it in every practicable way.

CHAPTER XXXII

EGYPT

EGYPT occupies internationally an abnormal position. Theoretically she is a portion of the Turkish Empire, enjoying, it is true, a very large measure of autonomy, but for all that subject to Turkish law and Turkish treaties, and bound to pay an annual money tribute to the Sultan and to assist him in war. Moreover, although the Khedivial office is hereditary in the present Khedivial family, yet the Sultan has in theory the power to depose the Khedive, as, in fact, the ex-Sultan did depose Ismail Pasha at the instance of Great Britain and France. As a matter of fact, however, the ex-Sultan would not have dared to depose Ismail but that he acted at the bidding of England and France and was assured of the passive consent of the other Powers. In real truth he was at the time only an instrument in the hands of the Great Powers, who could no longer tolerate Ismail's misgovernment. As things stand at present it is not conceivable that the Turkish Sovereign would assert his authority in any form in Egypt unless, of course, he was again acting as the instrument of others. Putting theory and convention aside, and looking at the actual facts, they are as follows: that beyond the tribute payable by Egypt to Turkey the Sultan has no real power in Egypt. What may happen if the present régime in Turkey becomes firmly established it would be useless to inquire now. Here the situation is being dealt with only as it exists to-day. Egypt is occupied by a British military force, and the Egyptian Government is controlled

and directed by the British Government. To add to the inconsistencies and irregularities of the situation it may be pointed out that, although the British Government exercises all real power in the Nile Valley, it has not annexed Egypt, nor even proclaimed a protectorate over it, but that it exercises all substantial authority with the consent of the Powers. Furthermore, it cannot impose taxes upon foreigners resident in Egypt; nor, because of the so-called "Capitulations"—that is, treaties entered into long ago by the several Powers with the Sultan—can it try foreigners resident in Egypt in the Egyptian Courts. Foreigners have the right to be tried in their own Consular Courts. Lastly, cases between foreigners of different nationalities, and between foreigners and Egyptians, are triable by the Mixed Tribunals, which are neither Turkish, nor Egyptian, nor British, and administer neither Turkish, nor Egyptian, nor British Law. It is difficult to imagine a more abnormal or a more cumbrous system, or one better calculated to obstruct progress of any kind, or even moderately good government. Yet all who have studied the subject admit, however they may be opposed to England on other matters, that during the twenty-eight years that our forces have been in occupation of the country we have done an exceedingly good work. Ex-President Roosevelt, indeed, in the speech at the Guildhall which at the time excited so much comment, declared roundly that we have given Egypt the best Government it has known for at least two thousand years, and probably the best Government it has ever had. The merit of this, it is only fair to add, is mainly due to the tact, temper, judgment, and patience of Lord Cromer, perhaps the greatest living administrator in any country. In this study all Party questions have been avoided as far as possible, and also all political questions which did not immediately touch the subject in hand. In the case of Egypt it is impossible altogether to avoid political topics,

firstly, because the anomalous state of things forces the discussion upon both writer and reader ; and, secondly, because the nature of a Government and of its institutions exercises a great influence upon the intellectual and material condition of its subjects. There is no use in inquiring at this late date whether our Government would not have been better advised if it had declared a protectorate over Egypt. It is enough to say that it did not ; and that, consequently, it has had to work for the improvement of that country in the face of much jealousy, and even much hostility ; that it could not compel foreign residents to contribute their fair share to the revenues of the country which protected them and admitted them to almost every privilege enjoyed by native Egyptians ; that, furthermore, it had to depend for the punishment of law-breaking foreign residents upon Consular Courts, over which it had no control ; and that, even in matters over which the Consular Courts had no jurisdiction, it had to depend upon the Mixed Tribunals, over which, again, it had no real control.

The difficulties of our Government indisputably have been exceedingly great, and yet the material progress has been extraordinary. The population, the wealth, the area under cultivation, have all grown marvellously. It has been said that the chief merit of this great work belongs to Lord Cromer. It is quite true, of course, that he acted throughout under the orders of our own Foreign Office. But it need hardly be pointed out that it required an extraordinary conjunction of great qualities in our Agent in Egypt to effect the work he has accomplished. If he had been without tact, or without great command over his temper, it is impossible that he could have overcome the difficulties in which he was placed. He was, then, if you like, a mere Agent of the British Government, taking his orders through the Foreign Office. But he was an Agent of such incomparable capacity that he over-

came obstacles which few other men could have surmounted. The history of Egypt under his administration throws a light upon a question which is often debated by historians, some holding that the spirit of the time is the great motive power in producing change, while others attribute almost all great events to individual initiative and capacity. In the case of Lord Cromer we see that the real truth is that both the spirit of the time and individual capacity must go hand in hand. If, as has just been said, Lord Cromer had been incapable he would have failed utterly, and in all probability everybody would have agreed that it was impossible to succeed in working so impracticable a system. On the other hand, even Lord Cromer would have failed if the spirit of the time had been against him. Everybody, for instance, will agree that the greatest genius in China, let us say, at the time of the Opium War, could not have founded a constitutional monarchy, much less a republic, in that country. Yet he would be a bold man who would fix a limit to-day to what is practicable in China, given a really great genius at the head of the Government. Fortunately the spirit of the time, the march of civilisation, the course of events, whatever phrase may be preferred, worked together with the patience, the skill, and the genius of Lord Cromer, and produced the great change in Egypt which we see. Here there is no pretension to deal with a chapter in the history of modern Egypt; neither is there any desire to celebrate the praises of a great administrator. The object really is to direct the attention of the reader to an extraordinary example of the raising of the purchasing power of a whole people which has been going on before our own eyes and under the influence of our own Government. Let us, then, inquire what were the means employed by Lord Cromer to work the miracle he has achieved. The means are

very simple, one is almost tempted to say very commonplace. To begin with, he enforced the most rigid economy. The Khedive had been deposed because of his reckless extravagance, which made the country bankrupt and deprived the creditors of Egypt of the income to which they were entitled. Furthermore, Egypt was bound not to borrow without the consent of the Powers. Thus it was plain to Lord Cromer that the most rigid economy must be enforced until the credit of the country was completely restored. Therefore he favoured the evacuation of the Soudan; in other words, to restore Egypt's credit he deliberately consented to the loss of control over the upper courses of the great river upon which the very existence of Egypt depends. When at length prosperity revived and credit became good, Lord Cromer set himself to reduce as far as he could the burdens weighing upon the fellaheen. He saw plainly that the fellaheen are the genuine people of Egypt; that the others are very little more than parasites; that the real prosperity of the country depends upon the fellaheen; and, therefore, that the main task before him was to improve the lot of those upon whom the prosperity of Egypt depended. He has reduced taxation very materially. He has abolished the *corvée*. He has exerted himself to the utmost to stop all oppression of every kind, to ensure that justice shall be done in the Courts to the fellaheen, and to put an end to corruption as far as is possible. Next he proceeded to restore to the cultivating classes the lands which the deposed Khedive had arbitrarily accumulated for himself and his family, and then he went on to construct great public works, especially irrigation works.

The doubts which have sprung up as to whether Lord Cromer's irrigation policy is quite sound have already been referred to. There is no need here for expressing any opinion as to whether those doubts are well- or ill-

founded. That is a question to be settled by experts. But the statement as to the condition of Egypt and the progress it has made during the British occupation would be incomplete if some reference were not made to so important a matter. It is to be recollected that irrigation is being conducted in India upon a very great scale, and, therefore, that an Indian school of irrigation has grown up. Lord Cromer was an Indian official, and naturally he believed in the policy which was effecting great good in India, and which experts all considered the best possible. Even now it is by no means certain that the system is not the best, but for all that doubt exists. Over and above all this, when the time for doing so appeared to have come, Lord Cromer assisted to the utmost of his power the policy of recovering the Soudan. At the time there was much controversy as to whether a reconquest of the Soudan was either wise or justifiable. Now few persons will dispute that the reconquest had become imperatively necessary. In the first place, the Government of the Mahdi was savagely cruel. It rested upon the support of a few of the leading clans. But to the majority of the population it was a scourge. Apparently, if left to itself it would in time have almost depopulated the country. The destruction of life and property unquestionably was very great. Even upon this showing the reconquest was justifiable. But there is another aspect of the case which should not be left out of account. Egypt depends for its very existence upon the Nile. If the Nile does not flood every year Egypt suffers greatly. Even a low flood causes great distress. A total stoppage of the flood would be absolutely disastrous. Whether it would be possible to divert the Nile altogether need not be inquired into here. It is enough to say that the Soudan is nearly in as much need of irrigation as is Egypt itself. If, therefore, a moderately enlightened and public-

spirited Government had arisen in the Soudan it might have constructed great dams somewhere in the upper courses of the river and used the water so accumulated for the irrigation of the Soudan. Nobody could in reason object to such a policy, for, as has been said, the Soudan needs irrigation intensely. But if the water was used for the irrigation of the Soudan what would have become of Egypt ?

It is to be hoped that in future it will be found possible to irrigate the Soudan without ruining Egypt. Indeed, great authorities are of opinion that it can be done. However, irrigation is not under discussion just now, except for the purpose of showing the means by which Lord Cromer succeeded in raising Egypt out of the misery in which she was plunged. And to ensure the success of his own irrigation policy he clearly was justified in getting rid of a Government which conceivably, at all events, might cut off the water supply of Egypt. Having recovered the Soudan and entered upon a great policy of irrigation, there remained the question, what course was to be pursued respecting the lands about to be irrigated. If Lord Cromer had had a perfectly free hand—if, that is to say, England had either annexed Egypt when she occupied the country or had declared a protectorate, and if by so doing she had put an end to the Capitulations and established a judicial system free from all outside control—it would have been in the power of Lord Cromer to deal with such questions as the sale of the lands of the Daira and of the Daira Sanieh in a very different manner from that which he adopted. As matters stood, however, his hands were not free. Consequently, he had to adopt methods which would not be very defensible under different circumstances, but which, under the actual circumstances existing, were entirely defensible. It will be seen, then, that the means employed by Lord Cromer for increasing the well-being of Egypt

were not in any sense heroic or extraordinary. They were means which had long been recognised here at home as the true ones for securing progress ; which, indeed, were the means chiefly relied upon by Sir Robert Peel and Mr. Gladstone. The originality of Lord Cromer's administration of Egypt is not to be found in the details of his policy or the novelty of the ideas that inspired him, but in the tact, the never-failing patience, the extraordinary ingenuity with which he employed quite familiar and commonplace methods in a situation of the most extraordinary difficulty.

No one who carefully studies Lord Cromer's administration of the Nile Valley can fail to be struck by one great defect, namely, his neglect of education. It has been seen in the course of this inquiry that education played the chief part in the great revolutions which lifted first Prussia, and afterwards Japan, to the first rank among nations. Prussia, it is true, also carried out a great land reform, but Japan did not need to do so, or at all events her leading statesmen did not conceive that they needed to do so. It is also true that both Prussia and Japan established a system of universal liability to military service. But very many people contend that that was a drag upon prosperity ; that it really was introduced for a purely military purpose—in other words, to prevent conquest by greater States. There is no dispute, however, that education was one of the principal means adopted by the reformers both of Prussia and of Japan, and that the marvellously beneficial effects of education were exhibited in the clearest light in both countries. Furthermore, it has been seen that Russia emancipated the serfs and carried through a great land reform ; yet, in spite of the revolution so effected, Russia has made no remarkable progress because Russia neglected education. In the three most remarkable instances, then, afforded by last century, we find that in the two in which

a really sound system of education was established the most brilliant success followed, while where education was neglected failure ensued.

Coming now to the British Empire, the reader will remember that in the war against the clans, which lasted practically from the reign of Henry VIII. to the accession of James I., this country destroyed all the schools of learning provided for Ireland by devout predecessors, and set up nothing in their stead. It is true it established a university and college in Dublin, and grammar schools in different parts of the country. But the teaching in all these was, firstly, in English, an entirely foreign language; and, secondly, was Protestant, and therefore rejected by the Roman Catholics. From that time until nearly the middle of last century there was not even a pretence made to establish a good system of education in Ireland, and we all see the result to that country. Again, we all see the failure of the British Government in India to create there a great system of education, and we also see how the education that is being offered to the professional and the richer classes is almost entirely in a foreign tongue. The unrest in India shows us the consequences. Similarly, Lord Cromer lifted Egypt out of intense misery, and one would think, therefore, earned a title to the gratitude of the Egyptian people. As a matter of fact, the Egyptian people are as much opposed to our rule as if we had oppressed them instead of doing all we could to benefit them. And the reason is to be found in the fact that we have totally neglected education. It is sufficiently surprising that so eminent an administrator and reformer as Lord Cromer should have failed to recognise the need of Egypt for education, but it is more remarkable still that his immediate successor, Sir Eldon Gorst, actually expressed, in an official report, a doubt whether the Egyptian people are fitted for general

education. Considering that, so far as our present knowledge goes, Egypt originated civilisation, and for thousands of years carried it to a very high level; that from Egypt there emanated civilising influences which powerfully influenced the Mediterranean countries; and that ultimately Egypt sank because of the misgovernment of her foreign conquerors, it is not a little amazing to find the successor of Lord Cromer expressing a doubt whether the Egyptian people are capable of being educated. Evidently he had never given real thought to the question how best to raise a people in the scale of living. There seem grounds for hoping that Lord Kitchener, who has been appointed to succeed Sir Eldon Gorst, will take an entirely different view of the Egyptian problem, in this matter, at all events. It will be recollected that when he recovered the Soudan he established a college there, and as that was one of the very first acts of his rule in the reconquered province it gives us ground for believing that he is fully conscious of the part which education plays in the raising of a people in the scale of living, and that now that he has taken the place formerly so eminently filled by Lord Cromer he will lose no time in making good the one great defect of Lord Cromer's otherwise so admirable administration. There is only one point upon which there is room for doubt. It is that the Khartoum College was intended for the leading men of the Soudan. We trust that does not imply that Lord Kitchener is under the influence of the evil teaching of Oxford and Cambridge, that education properly belongs to the higher classes, and that it is not necessary for the mere workers. The doubt, however, may probably be put aside when we recall to mind how short a time Lord Kitchener remained in the Soudan after his recovery of the country, and that probably if he had had the opportunity he would have provided education for all classes as well as for the chiefs.

CHAPTER XXXIII

EGYPT—(*continued*)

IN consequence of the neglect of education, particularly at a time when the material condition of the people was being so much improved, and when new ideas were being introduced on every side, there has grown up of recent years a spirit of unrest, accompanied by a bitter agitation not only against the British occupation, but against foreigners in general. It might, perhaps, be sufficient to say that all this was to be expected, for the ideas of the Western world are permeating the whole East. The permeation is unquestionable in Russia, Turkey, Persia, India, and even in China. How could it fail to take place in Egypt likewise, especially when it is borne in mind that the Khedive, who was supposed to be the depository of all power, had just been hurled from his throne by the Sultan at the dictation of England and France ; that the Sultan himself had been by the two latter Powers stripped of all authority ; and, lastly, that France, which had been a participant in the two former acts, had found it expedient in turn to clear out of the country ? Considering all the circumstances, it ought to have been apparent to every competent observer that a convulsion of ideas was inevitable, and, furthermore, that the only probable means of preventing bad results lay in a sound system of general education. Education, however, as has been pointed out, was neglected, and, consequently, there is no real cause for surprise that of late the unrest has resulted in acts of

violence and even in political assassination. Sir Edward Grey has made it quite clear that he, and the Government to which he belongs, have been taught by experience that the Egyptians are not yet fit for self-government, and, therefore, that the experiment tried must for the time being be given up. After a while it may reasonably be anticipated that sedition-mongering will cease and a quieter state of things will return. As regards the outcry raised respecting the absence of security for life and property, it may be pointed out that people who are accustomed to the ordered liberty of the most advanced European countries are apt to attach too much importance economically to mere order. The ancient Greek cities laid the foundation of our modern civilisation, and in their day attained to very great prosperity. Yet the ancient Greek cities certainly were not orderly. Not only were they almost incessantly at war with one another, but intestine brawls were continuous, and the most distinguished citizens were at every turn in their lives liable to ostracism. Rome, again, was hardly ever free from either foreign war or civil dissension. How continuous the latter was is shown by the struggle between the Patricians and the Plebeians, the agrarian agitation, the Servile war, the war between Marius and Sylla, and, finally, the wars, first, between Cæsar and Pompey, and afterwards between Augustus and Mark Antony. Yet Rome, in spite of all, conquered a great part of the known world and established the greatest military monarchy known to history. Finally, the cities of mediæval Italy were nearly as turbulent and almost as progressive as those of Greece. Overmuch importance, therefore, must not be attached to the present disturbed state of Egypt, for in spite of it the country for eight-and-twenty years has made extraordinary progress. Indeed, as has been said already, what we see in Egypt at present is merely part of a drama which is being played

all over the East. There is the same unrest, dissatisfaction with existing institutions, longing for reform, and even revolution, in Russia, in Turkey, in Persia, in India, and in China. The unrest is exceedingly uncomfortable for the rulers, especially when they are very indolent and hate to be disturbed. But so far as the populations are concerned it is a healthy sign. It shows that they are at last awakening from the death in life in which they had so long been sunk, and are struggling for higher ideals. Lord Cromer's work, then, has not failed. It remains, and will always be honourable to his memory. But if it is to be crowned with the complete success which is its due there must be introduced a sound system of universal education. And it is to be hoped that no time will be lost in introducing it.

Of course there are difficulties in the way. Egypt is a Mohammedan country, and to introduce modern teaching may appear to many persons a rather dangerous experiment. As a matter of fact, the Mohammedans of India are as anxious for a sound system of education on European lines as any other portion of the Indian population. Why, then, should it be so very dangerous to introduce a modern system of education into Egypt? Of course, common sense, judgment, and tact are requisite. If we show any hostility to the religious beliefs of the people, if we give them grounds for suspecting that we are aiming at undermining those beliefs, of course we shall do harm instead of good. But good faith, good sense, and tact will carry us safely through and will enable us to do a work which will redound to the benefit of countless generations of Egyptians. We are in occupation of Egypt. With our eyes open we went into that country, and we are bound to remain there. The Egyptians have just shown that they are not fit for self-government, and while they are unfit we are bound to

perform the task which we deliberately took upon ourselves. But the Egyptians never will be fit for self-government until they become educated, and they cannot become educated unless we establish a sound system of education. There ought, therefore, to be no delay or hesitation. But great care ought to be exercised in selecting those who are to determine the exact system which is to be introduced, and who are to watch carefully over the working out of the scheme. If we select the wrong persons there will be mischief. If we select the right, everything will run smoothly, and our position in Egypt will become far more easy and pleasant than it is.

Of course, it will not be enough merely to select the right people, although it is indispensable that we should do so. We ought also to enable our agents to provide a proper staff of teachers. Notwithstanding the pedants' superstition that English ought to be the language of the schools all over the Empire, it is to be taken for granted that the education must be through the medium of the language of the country. Arabic is a cultivated language, and although it has not the necessary text-books for a European education they can very easily be produced. If we take the common-sense view of the matter, and decide that the people are to be taught through the language they understand, a great deal of time need not be consumed in producing the necessary school-books. It will be, of course, a much more tedious and a much more costly thing to procure the requisite teachers. They must be Egyptians, or they will be altogether too expensive, and they must be educated sufficiently to teach the system we introduce. To select a sufficient staff and to train them into efficiency will take a great deal of time and a good deal of money. Therefore, it is clear a sound system of education cannot be set up in a day or in a year. But

the foundations for such a system can be laid, and with goodwill and honest work the training of teachers will be accomplished in time. Without really competent teachers nothing effectual can be done. Here in England, even though elementary education has been compulsory and general since 1870, we have not even now a trained staff of teachers. Nay, more, Mr. Runciman quite lately, in his place in Parliament, regretted that the number of teachers, whether competent or not, is still greatly insufficient. We must not, then, be disheartened simply because the task before us will be tedious and costly, nor even because our successors at the end of thirty or forty years may have to confess that there is much still to be desired both in regard to teachers and to the number of students in attendance.

There is one other portion of Lord Cromer's administration in Egypt the complete soundness of which appears to be open to question. It is the manner in which the lands improved by irrigation have been disposed of. That the Assouan dam and the other great irrigation projects have added immensely to the wealth of Egypt nobody who has taken the trouble to master the facts can honestly dispute. Moreover, it is manifest that these great works have not merely brought under cultivation, and will in future bring under cultivation, further very large areas that without them would have remained desert, but also that they have increased very materially the well-being of the whole population of the country. That being the case, it is at least arguable that the Government, for the purpose of raising the condition of the people economically, and consequently of establishing a thoroughly sound system of education, might have reserved to itself the right to impose a higher tax in the case of lands already cultivated, but about to be made more valuable by the irrigation works intended; and, furthermore, might have reserved

a larger share of the profits in the cases where uncultivated land was about to be brought under cultivation by means of irrigation. Moreover, it is open to question whether the decision of the Government to sell the lands which their irrigation works made and are making cultivable is the best in the permanent interest of Egypt. The area which the Government will have to dispose of is of very great extent. To sell that land with the knowledge that it will ultimately be resold at a profit to the fellaheen is, no doubt, the easiest for the Egyptian Government. But whether it is best in the permanent interest of the country is another matter. There can be no two opinions at all that where the State makes possible the profitable cultivation of previously desert land the resulting production is the work of the State, and should redound to the State's benefit. It is difficult, therefore, to see why the Government should allow either great capitalists or companies to step in and buy land from the State, and then make a profit by subdividing it and selling it in small lots to peasant proprietors. It is clearly arguable that it would be better for the future interest of Egypt if the Government retained the ownership of the land reclaimed, and let it to the tenants, preferably to the fellaheen, who are the real cultivators in Egypt. There may, of course, be objections to this plan which are not manifest to the ordinary observer. But on the face of it the merits of the plan are great and manifest. Egypt is a very poor country, thickly populated. There is need, and will be, indeed, for many a year, for a very large outlay by the Government for the purpose of raising the condition of the people. If the reclaimed lands continued the property of the Government, and the Government received a handsome revenue from them, the moneys so received could be employed in improvements of all kinds. However, if the objections to the plan outweigh its recommendations, it is difficult

to see why the Government should not be able to sell the land gradually to the fellaheen. The Government could clearly do it at less cost to the fellaheen than either the capitalist or a company. And the real interest of Egypt is that the fellaheen should enter into possession of the reclaimed land at as low a price as is consistent with the due rights of the Government. This criticism is put forward with some hesitation, for everybody must recognise in the clearest manner that Lord Cromer is the greatest of our living administrators; that he has done a work of inestimable benefit to Egypt; and that, speaking generally, his policy has earned the approval of all competent persons who have studied it. Still, there is room for doubt whether Lord Cromer, who grew up under the influence of the Ricardian School of political economists, was not misled by that school, and so failed fully to appreciate the more modern doctrine. One result, however, of the policy pursued by Lord Cromer in this matter, and continued by his successor, whether that policy be right or wrong, has been to limit very seriously the ability of the Egyptian Government to carry out its work of social reform.

Reference has already been made at some length to the difficulties of the position in which Lord Cromer found himself in consequence of the Capitulations and the general international position of Egypt. His successors will be further hampered by the want of funds, which to some extent, at all events, could have been provided if, in carrying out the system of irrigation, the Government had reserved to itself a larger share of the profits certain to result. The matter affects the education policy of the Egyptian Government and also its Soudanese policy. When Lord Kitchener crushed the Mahdist revolt it was found that the Mahdi's rule had resulted in the destruction of a very large proportion of the population, and an utter waste of

its wealth. The country, in fact, was thrown back so much that even to this day it is dependent upon Egypt for the means of bringing it back to something like a civilised state. As the reader knows, the Soudan has great potentialities. It wants, in the first place, enough of labour to develop its natural resources. It wants, in the second place, enough of capital to turn its potentialities into actualities. The protection which is given by the restoration of a civilised Government is gradually supplying the country with a population. There has been already a considerable immigration from neighbouring countries, and a settled and civilised Government has encouraged the people to marry and to bring up families. In the course of a comparatively few years there will be an immense addition to the population, and in a generation or so there will probably be no serious scarcity of labour. In the meantime, the Soudan is dependent for the means of developing its resources upon Egypt. It is one of the complaints of the Nationalist Party in Egypt that the revenue of their country is being wasted upon the Soudan ; and naturally, therefore, the Egyptian Government hesitates to spend a very large sum. The complaints of the Egyptian Nationalist Party are not unreasonable ; at all events they were to be expected, for the needs of Egypt for a much larger expenditure than she can at present afford are beyond dispute, and, therefore, it is only human nature that Egyptians should grumble when Egyptian money that could with immense benefit be laid out in Egypt is spent in the Soudan. Still, there clearly are, as in so many other cases, two sides to this question. Egypt, it must never be forgotten, is dependent for its very existence upon the waters of the Nile. It is, therefore, to her a matter of life and death that she should have control of the Nile throughout the whole of the Soudan. But if she is to have control of the whole of the Soudanese Nile

clearly she owes compensation to the Soudan. She cannot expect, as a matter of equity, to monopolise the whole of the Nile waters and do nothing at the same time for the Soudan. Of course, it is urged that Egypt is only one of the partners in the ownership of the Soudan, and that the other partner, the British Empire, ought likewise to contribute. There may be right in that, but the Egyptians should remember all the same that the British Empire receives no direct, immediate, material gain from the possession of the Soudan, whereas Egypt receives the immense advantage of having control of the Nile through the Soudan, and, therefore, being able to postpone indefinitely irrigation in the Soudan, which might alarmingly affect her own supply of water. However, it will be better to reserve this part of the subject for consideration later. Here it is more germane to the subject to remind the reader that the demands of Egypt herself for expenditure to develop her resources, and more particularly for the construction of great irrigation works, are so persistent and so absorbing that, even if they were the best in the world, only a small portion of the disposable money and water is available for the Soudan. Moreover, it is not to be forgotten that the Egyptian Government cannot borrow without the consent of the Powers, and also that it cannot levy taxation upon foreign residents. It would, no doubt, pay Egypt abundantly in the long-run to borrow a considerable amount for the opening up of the Soudan. But such a course is out of the question. Indeed, there would be a difficulty in providing the Soudan with even a through railway were it not that when Lord Kitchener undertook the reconquest of the Soudan he, at the same time, set about building a railway to convey his troops to Khartoum. There is much room for railway construction in the Soudan, and particularly there is urgent need for a great number of light rail-

ways. But the political condition of Egypt and the special connection of the Soudan with Egypt all make it difficult to do what all intelligent observers recognise to be necessary.

There are two special illustrations of the difficulties of the present situation. The study of the Egyptian water problem compelled the Egyptian Government in the time of Lord Cromer to recognise the urgent need that existed for preventing the waste of Nile waters in the vast marshes of Bahr-el-Gebel. But the task had to be postponed because of the abnormal financial conditions under which Egypt lives. Sir William Garstin, however, has very clearly shown that although the Assouan dam will do a great deal to provide Egypt with a sufficiency of water, in the long-run the Egyptian Government will sooner or later be compelled to take in hand the Bahr-el-Gebel difficulty. The matter is one of great importance for the Soudan as well as for Egypt. But, as the reader knows, the Soudan is not in a position to find the money, and Egypt has had to postpone the project. The other illustration to which reference has been made is afforded by the proved capability of certain portions of the Soudan to produce the very finest cotton. A couple of years ago a specimen of Soudanese cotton fetched a higher price in Egypt than the very finest Egyptian cotton, and there appears to be no doubt that if labour was abundant and transport facilities cheap and sufficient the Soudan could produce even more cotton of the finest quality than Egypt itself. In the long-run, no doubt, all the difficulties will be overcome, and the Soudan will become a large producer of cotton. But in the meantime cotton manufacturers all over the world have had to run their factories short time because a bad season in the United States and the ravages of worms in Egypt reduced the supply of the raw material.

In all cotton-manufacturing countries the fact that, whenever there is a bad season either in the United States or in any other country which is a large grower of raw cotton, the whole industry is thrown out of gear, has naturally compelled cotton manufacturers to give much attention to the matter. It is to be feared, however, that the well-meant efforts of the manufacturers, not only here at home, but in foreign countries likewise, are defeated because they are dissipated over too many objects. Any one who will read the reports to the recent International Cotton Congress will recognise this. Instead of concentrating their main efforts upon increasing the growth of the raw material they are aiming at things which it is doubtful whether they can ever accomplish. For instance, they are spending much time and much eloquence upon denouncing combinations for rigging the Cotton market. Now it would be desirable, of course, to put down such combinations. But experience has shown that legislation is powerless in the matter, and if legislation is powerless it is difficult to see what other force can be invoked to effect the object aimed at. So far as can be seen, the only effectual way of making the supply of raw cotton equal to the demand is to increase the growth of the raw material. That can be done if the necessary pressure is brought to bear upon Governments and the necessary capital is expended. The cotton trade is so important that necessarily it is able to influence Governments. They cannot afford to allow so great an industry to be crippled if they can prevent it. Therefore, if the trade in all the leading manufacturing countries were to combine for the purpose of bringing pressure to bear each upon its own Government, they would effect a very great deal. Over and above this, the leaders of the trade are very wealthy, and they could by themselves and by those whom they can influence raise large capitals for the

purpose of making experiments, of constructing railways and canals, and establishing irrigation works wherever desirable. By doing this they would give an immense impetus to the growth of cotton, especially if their efforts were directed to the Soudan upon a very great scale.

CHAPTER XXXIV

THE SOUDAN

POLITICALLY the position of the Soudan, like that of Egypt, is quite abnormal. The United Kingdom and Egypt are co-partners in its ownership. But as the British Government controls the Egyptian Government, the British Government practically is absolute in the Soudan. At the same time, the Soudan has been so wasted by the Mahdi's misrule that it does not yield a revenue sufficient to pay its own way. Therefore, it has to look to its Government to find the means for covering its expenditure, and the British Government throws upon Egypt the onus of finding the money. Looked at in that way it is not surprising that the Egyptian Nationalists complain loudly that England shirks her duty to share the expense of governing the Soudan while she has all the power in the Soudan as well as in Egypt. The answer to this complaint has already been pointed out. But the object here is not to enter into either a financial or a political argument, but to consider what ought to be done to raise the well-being of the Soudan. The country is naturally rich, but it is greatly in need of irrigation. In some districts it is admirably suited to the growing of cotton—indeed, cotton grown in the Soudan, as has been said more than once already, has been sold in Cairo for a higher price even than the best Egyptian cotton. There appears to be no doubt, therefore, that the finest cotton can be grown in the Soudan provided there is water enough and labour enough.

Labour, as has been remarked before, is deficient owing to the destruction of life and property under the Mahdi; but the population is growing rapidly, and therefore it seems safe to repeat the prediction that labour will probably be plentiful enough in the course of a generation. The real difficulty is with water.

As matters stand at present it seems clear that even the Assouan dam, immensely as it augments the water supply of Egypt, will not be enough. Other means will have to be adopted to increase the cultivable land of that country. There appears to be no doubt that the cultivated area of Egypt in the time of the Pharaohs and the Ptolemys was immensely larger than it is at present, and it could not have been so if the irrigation was not much greater than it is now. Experts say that with water enough the area under cultivation might be made to equal what it was in the time of the Ptolemys. However that may be, everybody seems to be agreed that it is merely a question of irrigation how much the cultivable area can be extended. The result is that those who are responsible for the welfare of Egypt foresee that much more water than now is available for irrigation will be required before long. Consequently, they shrink from proposing anything that would divert the Nile water as it flows through the Soudan. Looked at from the point of view of Egyptian interests alone, nobody can dispute that the decision of the Egyptian Government is right; but looked at from the point of view of Soudanese interest, it seems exceedingly hard that the Soudan should be condemned to poverty and infertility because Egypt requires all the water flowing down through the Nile. No doubt a means will be found to reconcile the interests of the Soudan with those of Egypt, and as the population of the Soudan is so scanty at present, and labour, therefore, so scarce, there is obviously no great hurry for constructing great irrigation works in the Soudan. More-

over, he would be a bold man who would propose to use Egyptian credit and Egyptian money for the purpose of diverting from Egypt Nile water required by Egypt. If such diversion has ultimately to be effected, it clearly will have to be done without the co-operation of Egypt. But it is to be hoped that nothing of the kind will become necessary. There must be means of finding water for irrigating the Soudan without injuring Egypt.

To resume, then, the first material want of all in the case of the Soudan is irrigation. The second is, unquestionably, more labour. Population is growing both by natural increase and by the inflow of settlers from neighbouring countries. Gradually, therefore, that difficulty will be solved, but the solution could be greatly hastened by irrigation and good means of communication. There remains, then, the question of transport. The Nile is not sufficient, though of course it is most valuable. The railway originally constructed by Lord Kitchener in his Soudan campaign is also of great value. But a great extension of railway accommodation is required and must be effected before the Soudan becomes really prosperous. Over and above all this there is need for education. Lord Kitchener established a college for the higher classes of Soudanese; but what is being considered now is elementary education for the whole people. That is undoubtedly a more difficult thing than the providing of elementary education in Egypt—firstly, because the Soudan is much poorer than Egypt, and therefore is not as yet in a position to establish a sound system of general elementary education; and, secondly, because the Soudanese are in civilisation much behind the Egyptians, and therefore do not offer the same facilities for educating and training teachers. But all these difficulties will have to be overcome, and if the most is to be made of the Soudan—and clearly it is our

duty to make the most of it—the country must be endowed with a sound system of education.

Besides cotton the Soudan is capable of producing very many other articles that are in great demand throughout the world. It will one day become a very prosperous country, when its existing difficulties are solved and the population increases ; but at present it is so thinly peopled and so poor that the day of great prosperity seems to be far distant. The urgent matter at present is not to provide for a great population and a prosperous country, but to lay the foundations of educational and industrial development, which will prepare the way ultimately for a numerous population and a prosperous and thriving industry. The Soudan, as has been said before, like Egypt, is politically in an abnormal position. Both England and Egypt share in its government. Under the Mahdi the destruction of life and of wealth was so grievous that, as has been pointed out, even yet the country has not recovered sufficiently to pay the expenses of its own government. Consequently, as was to have been expected, Egypt has to make up the deficiency. The Egyptian Nationalists make of this a grievance against England. In reality the reconquest of the Soudan was undertaken entirely for the benefit of Egypt. If a highly civilised and wealthy country had taken possession of the Soudan, just as the United Kingdom took possession of Egypt, it would in all reasonable probability have diverted from Egypt a very large part of the waters of the Nile. It is not meant by this that it would have intentionally changed the current of the river for the purpose of ruining Egypt. What is meant is that the Soudan requires irrigation almost as much as Egypt, and, therefore, that a highly civilised and wealthy Government would, as soon as it had obtained full possession of the country, have entered upon a great policy of irrigation.

As matters stand at present, Egypt utilises the whole of the waters of the Nile, and plans are in contemplation for making use of even larger quantities than at present are employed for irrigation purposes. There is no doubt, of course, that it is the duty of the Egyptian Government to provide Egypt with water enough to extend the area under cultivation, and so stimulate the prosperity of the country. On the other hand, all the water taken from the Nile for the purpose of irrigating Egypt clearly reduces the supply available for the Soudan. Engineering skill will, no doubt, find a means of reconciling the interests of the two countries and of building up the prosperity of both. Indeed, there is a school which asserts that the present system of flooding in Egypt is not merely very costly and unfair to the Soudan, but also is extremely wasteful, and that the requirements of Egypt could be met without drawing so heavily upon the Nile. That is a matter, however, for experts only. But it is clear that the British Government, being the supreme Government in the Soudan as well as in Egypt, is bound to take full account of the interests of each country, and not deliberately to sacrifice one to the other. Moreover, it is clear that to the extent which Egypt draws upon the Nile and thereby postpones, if it does not actually diminish, the prosperity of the Soudan, it is under an obligation to render some compensation to the Soudan.

How the interests of Egypt and the Soudan in this matter are ultimately to be reconciled is not very clear. The annual reports of our Agent in Egypt, admirable as they are in many respects, and much light as they throw upon the condition of both countries, yet are very reserved in respect to this question of irrigation in the Soudan. Likewise, the Government of the Soudan itself, while plainly intimating the need of the Soudan for irrigation, yet does not discuss frankly how the difficulty is to be

overcome. Probably the feeling is that at present the population of the Soudan is too small to justify the Government in embarking upon a great system of irrigation; that in the long-run it will prove not only more economical, but more successful, to wait until the Soudan has a population and a revenue that will justify embarking upon a costly scheme. Whether that be so or not, the need for irrigation is great and pressing, and our own Government, as the superior Government both in Egypt and in the Soudan, ought to give it the most careful consideration. However, the business here is only to point out that until great works of irrigation are constructed the Soudan will remain little more than a wilderness. Good government in the sense in which the word "good" can be applied to the present government of the Soudan has already inspired confidence in the natives, and population is increasing not only by natural means, but by a considerable immigration from neighbouring countries. If great irrigation works were constructed there seems to be no possible room for doubt that the country would blossom like the rose, and that it would become exceedingly productive. That it would do so is proved by the fact, to which at the risk of wearying the reader reference has so often been made, that cotton grown in the Soudan was sold a couple of years ago in Cairo for a higher price than any Egyptian cotton fetched. There is no question, then, that excellent cotton can be grown in the Soudan, and the experience of the past year or two shows how important in the interest of the great cotton industry it is that as much raw cotton as possible should be produced in as many countries as are fitted for its growth. The Soudan is capable of growing many other things. But there is no need to enter into that here. It is plain that one of the first duties of the Government to the Soudanese is to supply them with enough of water.

More urgent, perhaps, than even irrigation is a good system of education. As has been insisted upon again and again, there can be no real advance in civilisation anywhere without education. But there is a special reason why a good system of education should be established in the Soudan without loss of time. From the nature of the country the working classes must consist of native Africans. The whites in the country must form for a long time to come the governing classes, and must consist, likewise, of the captains of industry. Work in the fields under the Soudanese sun is impossible for whites. The consequence is that if nothing is done the Soudanese population will consist of a small white aristocracy and a very large and constantly growing population of coloured working people and small traders. That cannot fail to produce all the evils which follow the colour prejudice. In the United States we have recently seen exemplified some of the horrors which the colour prejudice produces. If that happens in the United States, which have been settled for some centuries, it is more probable still to happen in the Soudan, where the natives are exceptionally brave and, therefore, exceedingly unlikely to put up with the indignities to which the colour prejudice is likely to lead. It is unnecessary to expatiate upon the point. But it is necessary to bring it before the reader, that he may understand the pressing need there is for establishing from the very outset a sound system of education for the natives. Of course, the education must be by the natives, and that means a period of training native teachers, which in turn means very slow progress in education for a considerable time. But the slower the progress promises to be the more need there is for early action. If the Soudanese can be educated they will gradually become efficient workers, and as they become more efficient, as several of them rise in station and fit themselves to occupy positions of trust,

they will exact a fair amount of respect from the whites. No doubt there are special reasons which account for the extreme bitterness with which the lower-class whites regard the negroes in the Southern States of America. But the more brutal-minded white everywhere is steeped in the colour prejudice, and is certain to show it on every occasion. He can be kept in order only by fitting the Soudanese to rise in life, and, therefore, to impose respect upon those who look down upon him merely because of his colour.

There is one other subject which ought to be very seriously considered in time. It has been said that the population is already rapidly increasing. Still, it is small enough to give time for mature consideration respecting the policy of the Government in the Soudan, and, above everything, the land system of the country deserves the most careful deliberation. As has been said so often, the land system of a country contributes most powerfully to its prosperity or the reverse. It is quite true, of course, that a land system may be bad, and that yet the character of a people may enable them to rise to great prosperity and even to power. But a Government ought not to trust to the chance that it can train its people so that they will be able to overcome even the disadvantages of a bad land system. On the contrary, the Government from the outset ought to consider in the most careful manner how the country is to be settled and what is to be the land system. The natural temptation is to invite whites to settle on the land, and to give them large areas on very easy terms. In that way it is hoped that intelligence, enterprise, and capital will be introduced, that those who introduce them will for their own purposes attract labourers, and that thus the country will be rapidly settled. It is the policy which has been followed in almost all new countries in modern times, and it is the policy which apparently is

being pursued in the Soudan at present. But is it a wise policy? In the United States already the Administration recognises that its predecessors have wasted the resources of the country, and the conservation of natural resources is raised into a plank in the platform of both parties. In our Colonies the waste of natural resources has not been carried as far as in the United States. But there is no doubt at all that there has been much waste, and that in Canada, at all events, people are awakening to the sense that that is so. In the Soudan very little harm has yet been done. There is plenty of time to think the matter out carefully and to adopt whatever policy is ultimately decided to be the best.

If an opinion may be expressed, it clearly is that the enabling of white capitalists to acquire on easy terms the ownership of the land, or even of a large portion of it, is unwise, and certain to result in future difficulties of the gravest kind. The whites, as has been pointed out above, never can be real workers. They may originate, direct, control, and reap the benefits of enterprise, but they never can carry out by themselves any great operation requiring labour under the sun. Therefore, they must always be a very small minority; and being a very small minority of exceptional wealth and exceptional power, they will always be looked upon with more or less dislike by the coloured people whom they are known to despise. All this will breed in them the feeling that they are exposed to the danger that if a great agitation arises, either in consequence of religious preaching or from any other cause, their lives will be in peril. Once a small governing minority entertains real fear of a great subject majority differing from it in race, religion, and colour, it is capable of almost any cruelty. It is as certain, therefore, as anything can be that such a community as is likely to grow up in the Soudan is bound to have a disturbed future. What

limitations, then, ought to be imposed upon the acquisition of land by whites? Without pretending to dogmatise upon such a point, it may be suggested that the policy adopted in Australia in regard to squatters should be adopted in the Soudan in regard to whites; in other words, that the ownership of the soil should be retained by the Government, and that it should let on very easy terms any quantity of land the white immigrants might choose to turn to advantage. But there should be two clear conditions—the first, that the white immigrant should not leave the land untilled, and the second, that it should be at the option of the Government to resume possession of the land by giving reasonable notice or by paying the occupier for anything on the land which he had himself put there, and which he could not take with him if only a short notice was given. In this way whites would be free to settle and to help in building up the country. But they would not be able to hand on in perpetuity the ownership of the soil to descendants who might not have their own enterprise or their own ability—who, in fact, might live abroad all their lives. Experience would gradually enable the Government to judge whether the policy suggested worked well or ill. In any case, so long as the Government retained the ownership of the soil in its own hands it could change its policy when sufficient reason was shown, whereas if once whites are allowed to buy land on any considerable scale it will be impossible to retrace the steps thus taken.

CHAPTER XXXV

THE WEST INDIES

IN the foregoing pages of this study it has been found that to raise a people in the scale of life the one indispensable thing is a sound system of education. Without it a people may make considerable advance. Our own country did make a very considerable advance before the bulk of the people had access to education at all. And the same is true of many other communities. For all that, without a sound system of education, though a people may, as has been just admitted, make a considerable advance, it never can attain to the efficiency and prosperity of which it is capable ; especially, it cannot hold its own in the face of the keen competition that is now springing up in every direction. A century ago, and still more at an earlier date, education was not so urgently needed, firstly, because education did not exist anywhere ; secondly, because there were no railways, nor were there steamships, and consequently nations were not exposed to the fierce competition of the present time. But now there are several communities which, compared with a generation or two ago, are well educated, and are paying more and more attention every day to the improvement of education. For real progress under any circumstances a sound system of education is requisite ; but to-day a sound system of education is more than requisite—it is indispensable to enable a people even to hold their own. Education, then, is the one thing which a people cannot dispense with,

for without it they cannot attain the efficiency which alone can safeguard self-preservation. But education has its limitations, and the Government of each community ought fully and promptly to realise this and to recognise that in consequence it is bound, if it would ensure the progress and greatness of its people, to do everything in its power, in addition to providing them with a sound system of education, to guide and assist them in raising themselves in the scale of life. The principles laid down in the foregoing pages are of universal application. They apply to the Crown Colonies, the Protectorates, and other Dependencies of the Empire just as much as they do to the United Kingdom and India. For that reason it is unnecessary to discuss in detail the cases of the Crown Colonies either severally or in groups. Moreover, these colonies are so numerous that a separate discussion would take up more space than can be devoted to it. Furthermore, such a discussion would add nothing to our knowledge of the principles which must be observed to raise a community in civilisation. But while it is unnecessary—and indeed would be little serviceable—to discuss the cases of all the Crown Colonies in much detail, there are certain points which it may be profitable to consider. Let us, then, for reasons which, as progress is made, will be apparent to the reader, begin with the West Indian colonies. We owe reparation to those colonies for the neglect with which we have treated them since the emancipation of the slaves. Emancipation was decided upon much more as a salve for the newly awakened conscience of the British people than from a profound desire to benefit the negroes themselves. And when the latter had been freed and a large monetary compensation given to their former owners, public men in this country smugly rubbed their hands in self-congratulation, and turned their attention to other matters. They did not trouble them-

selves with the fact—probably they did not recognise—that they had just accomplished a great political, social, and economic revolution more suddenly, perhaps, than such a revolution had ever before been effected. By emancipation the relations between whites and blacks were fundamentally altered, and thereby the whole social, political, and economic structure of the islands was completely revolutionised. Our public men paid no attention to all this, and left the islands to get out of their difficulties the best way they could. It is little wonder that the islands have gone back in prosperity.

Since the emancipation of the slaves the world at large has shared in a prosperity never before equalled. The Mohammedans, who used to be supposed to be incapable of progress, are moving, not in Europe only, but also in Asia and Africa. They are effecting revolutions, impatient of despotism, and crying out for self-government. Even the Far East has awakened. And there are symptoms of a revival, likewise, in Central America. But the trade of the West Indies has not grown as it ought to have grown, nor has the intelligence of the people properly progressed. It is not very flattering to the national pride that the portions of the Empire most directly, completely, and absolutely governed by Great Britain, such, for example, as the West Indies and Ireland, contrast so disadvantageously in condition with the greater part of the world. There is no intention here, however, to preach to the governing classes the duty they owe to the West Indies. For one thing it is much to be doubted whether the Government of the United Kingdom can, by its own immediate administrative action, materially benefit the well-being of the islands. It may do something, but it cannot do very much. In the first place, the Government of the United Kingdom is in charge of the interests of the whole British Empire, and if its members were all men of the

highest genius they could not be expected to perform the task with satisfaction to every community within the Empire. In the second place, the Government of the United Kingdom is too ignorant of the grievances and the requirements of the islands to understand the proper policy to adopt in the case of each. And, in the third place, even if by some reorganisation the Government were to be endowed with competency to deal properly with the West Indies, it could not find governors and other officials to carry out intelligently its intentions.

If the West Indies are to be enabled to progress as the world at large is progressing they must be given the power to improve their own position. In other words, they will have to work out their own salvation. But they cannot work out their own salvation without spending more money than they have at their disposal, and so long as the islands continue in their present relations to the Government of the United Kingdom and to one another they will never have the credit which would enable them to raise the capital required markedly and permanently to improve their lot in life. The first thing, then, to be aimed at is to increase their credit, and it seems that as matters stand now the only way in which that can effectually be done is to carry out some kind of federation amongst them. The islands are very numerous ; some of them are very small, and none of them are economically so forward that they would be able either to frame a great policy of social reform or to borrow the money that would make it possible for them to carry out such a policy. Therefore, if the islands are to be improved they must, in some way or other, be drawn closer together.

No doubt it is true that the nature of the population does not hold out a great promise for successful self-government ; but it is not necessary that there should be full self-government. For a long time the islands will

need guidance from the Imperial Government. Indeed, the Imperial Government can best advance the interest of the islands by furnishing them with officials capable of framing and carrying out an enlightened policy—which is possible when dealing with an important federation, but is not possible when dealing with a multitude of separate islands scattered over a wide expanse of sea. The development of the British Empire has been especially remarkable for this, that it has proceeded on new lines invented for the occasion; perhaps it should rather be said forced upon the rulers by the growth of the oversea dominions and by the spread of the democratic spirit at home. In a recent speech during his visit to the West, Sir Wilfrid Laurier pointed out that whereas it was formerly assumed that a Dependency cannot become independent until it throws off its allegiance to the Mother Country, the British Empire has shown that a colony may become absolutely independent and yet remain within the British Empire. If the Empire has been able to do all this, surely it can also innovate even in regard to Crown Colonies, and, while creating some kind of federal bond between these, can yet refrain from bestowing upon them all at once full self-government.

This matter is urged just now in particular, because a change is about to be effected in the relations of the West Indies, not only to the British Empire but to all the rest of the world, by influences which will very soon begin to operate. In a very short time it is expected that the Panama Canal will be completed. When it is, the West Indian Islands will be brought into exceedingly close communication with the Pacific coasts of North and South America, and into much closer communication than at present with Canada, Australia, Russia, China, and Japan. A great commercial prospect will thus be opened up to them. Are they prepared to take full advantage

of it? Furthermore, it is to be presumed that a great deal of the trade between the Atlantic ports of North and South America and the Pacific coasts of the same will pass through the Panama Canal. Over and above this, it is also to be presumed that a considerable portion of the trade between Europe and the Far East will likewise pass through the Panama Canal. By means of that canal Japan, the Pacific coasts of China, and the Pacific ports of Siberia will be brought much nearer to Western Europe than they are at present. According to all reasonable probability, then, there will be an immense increase of traffic through the waters over which the West Indian Islands are so widely scattered. If there is, it cannot fail to make a great impression upon the West Indian Islands. Is it not time that the full import of all these prospective changes should be taken into the most careful consideration of the public? In what way can the Imperial Government help the West Indies to take full advantage of the change, and how far will its own relations with the West Indies be affected? These are questions of grave moment which ought to be considered without delay. As a people we are too much given to put off the trouble of thinking and organising until the necessity for both is forced upon us. Can we not for once give up our bad habit, and, knowing that the Panama Canal will be completed in a short time, and that it will alter the relations of the West Indies with the rest of the world in an extraordinary way, institute without delay an inquiry by a competent body into the two questions already put, and many others that will suggest themselves to all who give thought to the matter? One of those other questions has been already indicated, namely, the institution of some kind of federal bond between the islands, not necessarily a close federation such as exists between communities divided only by

artificial lines, but one of a much looser and quite novel character. With regard to the feasibility of this the reader may be reminded that for a long time it was deemed to be out of the question to create a federation of the various British Colonies in America north of the United States. Yet the union of those Colonies proved to be a much less formidable task than had been apprehended. Similarly, at one time it looked as if Australian federation was impracticable. It used to be pointed out that New South Wales was attached to Free Trade and Victoria to Protection, and that neither would consent to alter the policy in which it believed. Many other arguments were brought forward, as, for example, the reasonable claim of each of the two leading Colonies to have the capital of the federation fixed within its boundaries. Yet, as a matter of fact the federation of Australia proved to be surprisingly easy. A more striking case still is afforded by the Union of South Africa. That two States which were ravaged by a devastating war only the other day should be willing to enter into a close federal union with the neighbouring Colonies with which they had so lately been locked in a life-and-death struggle seemed utterly hopeless. Yet the federation has been accomplished with surprising facility. If, then, union has been found to be so easy in North America, Australia, and South Africa, why should it be utterly impracticable in the West Indies?

There can be no reasonable doubt that it would be advantageous to the islands if some kind of political union were established between them. It does not necessarily follow that the union should be as close as it is in the three instances just referred to. The fact that the islands are separated from one another by stretches of water, in many cases of great width, makes it probable that a very close union could not be worked. But that there

should be a federation of some kind seems in the highest degree desirable. Why should it be impossible to invent a new form of federation? The Constitution of the United States differs altogether from that either of the seven United Provinces of the Netherlands or of the old Swiss Confederation. It was based largely upon the Constitutions of the several original thirteen colonies. And the Constitutions of those, in turn, were based upon the Constitution of England. Still, the Constitution of the United States differs in many important respects from anything that had previously existed. The Constitution of the German Empire differs again from that of the United States. Both are Federations. Yet, though they have much in common, they have much also that distinguishes the one from the other. Lastly, the Constitution of the Dominion of Canada is not a slavish imitation of the Constitution of the United States. Neither is the Constitution of the Commonwealth of Australia. And just as little is the Constitution of the Union of South Africa. In each of these several cases peculiar circumstances, differentiating them from all preceding instances, had to be provided for, and have been provided for with singular success. There is, therefore, no real reason why a federation of a loose kind should not be arranged for the West Indies which should take fully into account all that is peculiar in regard to them, and should provide for the peculiarities in full measure. It is not meant that all this can be done once for all. Provision will, of course, be made for amendments, and if experience shows that amendments are necessary, there ought to be no insuperable difficulty in carrying them through. At all events, the question how some means of bringing the West Indian Islands into such close connection one with the other that there can be created a common government for all which will be able to use the credit of all for the benefit of each

and all, ought to be taken into the most serious consideration without avoidable delay. The Imperial Government manifestly has too much to do to take upon itself to decide a question so complex and so difficult. It should, therefore, refer to a Commission the task of inquiring exhaustively into the matter and reporting upon it. The greatest care ought to be exercised in nominating the members of the Commission. The members should be free, as far as is possible, from party bias; they should be men of wide experience and of high character; and they should have had a training fitting them for sifting and weighing evidence. Of the need for such an inquiry no competent person who thinks the matter over carefully can seriously doubt. Obviously, the opening of the Panama Canal will make a change, not as regards the West Indies alone, but also as regards the whole world, the magnitude of which it is impossible now to gauge. On the other hand, it is equally plain that if some kind of tolerably effective federation were established in the West Indies, the new federation would be in a better position to take advantage of the opportunities offered by the change than would be the various islands of the group each in its individual capacity.

This question of federation is primarily political, no doubt; but it is economical also. Experience has shown, in the case of Germany and of Canada, what an immense influence for good has been exercised by the union of all the German States in the one instance, and of all the North American Colonies in the other. It is natural that it should be so. Small and poor communities situated far from the Mother Country, and divided from one another by the sea, are impressed at almost every hour by evidences of their own weakness; are afraid, therefore, to indulge in much enterprise, and tend consequently to become sluggish. On the other hand, when a number of com-

munities, even though they be individually small and poor, unite together, they are able to dispose of resources and power which after their past experience seem to them very imposing, and they gain a courage and an initiative which otherwise would never be theirs. The matter, therefore, from the economic point of view is of the highest moment. Furthermore, it seems self-evident that it is for the interest of the United Kingdom that the West Indian Islands should be prepared for the change and should be put in a position not only to avail themselves to the utmost of the advantages that will be offered, but also to afford means to the Mother Country of also availing herself to the utmost of the new opportunities.

In connection with this question of establishing some kind of federal bond between the several West Indian Islands there is a point which deserves very careful consideration—namely, ought the suggested federation be given power to negotiate commercial arrangements both with other portions of the British Empire and with countries outside the British Empire? At first sight the notion seems absurd. The Crown Colonies can do nothing without the permission of the Colonial Secretary, and it seems, therefore, that the matter is disposed of. But the matter is by no means disposed of. Originally the Secretary of State for Foreign Affairs carried on all negotiations with foreign Governments, whether they concerned the Colonies, self-governing or not, or whether they concerned only the Mother Country. Gradually the advantage of assisting the Foreign Secretary by means of delegates from the Colonies immediately interested impressed itself upon the Home Government. Perhaps it would be more correct to say that Canada asserted herself, and had, in consequence, to be consulted. It will be recollected that difficulties of all kinds were continually cropping up regarding the relations of Canada

and the United States, and that it came to be necessary that Canada should be consulted. Over and above this, it will be recollected that Canada demanded that the commercial treaties with Germany and Belgium should be denounced, and they were denounced. To sum up, then, it has come now to be fully recognised that the self-governing Colonies have the right to negotiate with foreign Governments. For instance, Canada has negotiated with the United States, Germany, and France.

From this it follows that what was long looked upon as a cardinal doctrine of the Constitution has been brushed aside, and that the right of the self-governing Colonies to negotiate has been recognised. Why should we, then, superstitiously cling to the notion that the Crown Colonies must not negotiate? The state of things which will be created when the seas surrounding the West Indian Islands are crowded with shipping from all the foremost nations of the world will so affect the interests of the West Indies that it will be necessary to provide in some way or other for arrangements from time to time, and the Foreign Secretary will have neither the time nor the knowledge to deal properly with such matters. If we could always be sure of having a Sir Edward Grey there would be less urgency. But supposing we had again a Lord Granville? Is it not, then, worth while to appoint a strong commission or committee to consider the whole question of the treaty-making rights of the Crown Colonies? Is it desirable, in the interest of the Crown Colonies, that they should have the right to negotiate with the self-governing portions of the Empire quite unaided by the Mother Country? Or ought the Mother Country to be a party to all such negotiations? Furthermore, ought there to be any restrictions on negotiations carried on between the Crown Colonies, let us say, and portions of the Empire which have not full self-government, but yet which constitute such important

portions of the Empire as to be entitled to special terms—such, for example, as India and Egypt ?

There are a multitude of other questions of this order which ought to be carefully considered, but which it is unnecessary here to enumerate. But there are one or two which it may be desirable to mention. The British West Indian Islands are near neighbours of Cuba and the United States. Are the West Indian Islands to be entitled to negotiate, say, with Cuba or with the United States ? If upon inquiry it is found that some kind of West Indian federation is desirable and practicable, will not the new federation put forward claims to a greater liberty than the separate islands now enjoy ? And in order to arrive at a correct decision is it not desirable that all sides of the question should be considered fully and in time ? If we are to have a reorganisation of the whole Empire it is obvious that we must have first a reorganisation of its separate parts. We have fortunately succeeded in reorganising the self-governing Colonies. Ought we not now to try to effect a reorganisation of the British West Indies ? And if we succeed in carrying the idea out, what powers should the new federation have, and what should its position be with regard to foreign States close neighbours ?

CHAPTER XXXVI

THE WEST INDIES—(*continued*)

At one time the West Indies constituted a very important part of the Empire. The trade with them was both large and profitable, while British capital on an immense scale was invested in the islands. Not only was the trade of the islands highly appreciated, but also their geographical position gave them great strategical value while this country and France were struggling for possession of North America. Again, during the American War of Independence our hold of the West Indies served us in good stead. It will be recollected that one of the greatest sea battles of the war was fought in West Indian waters. The emancipation of the slaves, however, caused a complete change in the relations between the United Kingdom and the West Indies. The payment of a large sum to the slave-owners in compensation for the loss of their slaves induced very many owners of property in the West Indies to withdraw from the islands. And many others decided that under the new régime it would not be possible to reside in England and to manage sugar and other estates in the West Indies. There was, therefore, a very large withdrawal of British capital from the islands, and, what was not less injurious, of British skill and British enterprise. The subsequent adoption of Free Trade struck another blow at the West Indies. During the wars that followed the French Revolution Napoleon succeeded in establishing the beetroot sugar industry, and the example

set by him induced many other countries to follow his lead. Beetroot growing, therefore, became a great European industry. It especially became important in Germany, and when the British market was thrown open to beet sugar the competition with the West Indies proved very severe, especially as bounties were given by their Governments to the beetroot growers. The bounties have now been abolished, or at all events very greatly diminished, and the position of the West Indies has, therefore, been improved. But in the meantime the cultivation of sugar has not been carried on in the West Indies with the skill and intelligence which were indispensable if the islands were to retain their old place in the world's trade. Science is not called in to aid the merchants as it is in Germany; the very newest machinery is not used; and the most is not made of every opportunity. Consequently, the West Indies have decayed in spite of the general progress of the world, and were it not for the important trade the West Indies carry on with the United States it is probable that the decay would be even more pronounced.

It would be out of place here to inquire to what extent the backward condition of the West Indian Islands is due to the decision of British merchants to withdraw their intelligence and capital from them, to what extent it is due to emancipation, and to what extent to the neglect shown to the islands by successive British Governments ever since emancipation. The question of real interest now is, What ought to be done to revive industry in the islands, and to give the people a chance of recovering the place they once occupied in the trade of the world? The first thing necessary, of course, is education; not only a sound scientific general education, but a really good system of technical education. But the islands have not the intelligence to work out a great system for

themselves, and, even if they had, they have not the wealth to establish a really sound system. It is out of the question to expect that the United Kingdom should step in and provide the funds. In the first place, the British Government has quite enough to do to educate its own people; and, in the second place, it is certain that a Government in London cannot successfully and directly govern a multitude of islands in the West Indies. Therefore the suggestion already made must be fallen back upon, that the only hope for the West Indies lies in some form of federation which will enable the islands to club together their resources, and thereby gradually to raise such a revenue as will bring it within their power to establish a sound system of education.

Education, as so often remarked, is indispensable. But it not only has its limitations; it is, unfortunately, costly, and it takes a long time before it can be so organised that it will really develop the intelligence and skill of the whole people. It requires, therefore, to be supplemented by many other things. There ought to be, for example, good harbours, good roads, and so on. Furthermore, the islands ought to be endowed with authority to make commercial arrangements for the purpose of pushing their trade abroad. From another point of view federation is highly desirable, for if of the right kind it would make it possible to raise such a revenue as would justify the appointment of really capable persons to the leading positions in the West Indies. As said before, the British Government has to look after the interests of the whole Empire, and, therefore, in the nature of things, has not the time to attend to the needs of the West Indies. Even if it had—even if it felt itself justified in establishing a special department for looking after the West Indies—it could not expect that that department would be able to judge correctly what was required by a multitude of

islands thousands of miles away. In addition to this, it would be too much to expect that for a long time to come the people of the West Indies would themselves have the trained intelligence and the political experience indispensable to work out a great constructive policy. Therefore, while it is requisite, if it were only to find the revenue indispensable for raising the West Indies, to establish some kind of federal bond between the islands, it is, on the other hand, also necessary that the supreme Government should retain a certain amount of control over the West Indies. There is wanted, therefore, more self-government than exists at present, and yet there is also wanted more intelligence and statesman-like participation in the government of the islands than now is exercised. Therefore, there is wanted really capable men in all the most important executive positions. To induce such men to go out they must be well paid, and for that there must be a fairly large revenue. How is the increased revenue to be found? That is a matter of detail which must be left to the governing authorities. Many inquiries have been instituted into the condition of the West Indies, and a mass of information has been accumulated. There ought to be, therefore, no very great difficulty in deciding upon the policy to be pursued. At all events, it is perfectly plain that if the West Indies are to be raised in civilisation and in prosperity quickly, there must be a sound system of general and technical education, which unquestionably involves the need for a considerably augmented revenue. Secondly, there must be necessary public works constructed, such as roads, railways, ports, and the like. And to carry out a policy of the kind it is clearly necessary that there should be men of great competence, such as are not likely to be found in the requisite numbers in the islands themselves until time has been given for the new educational policy to produce its full

results. It would be highly desirable, in addition, if inducements could be given to British capital and British enterprise to invest largely in the islands. It is not easy, however, to see how this can be done.

The islands produce many things of great value—not sugar alone, but many other things. All this, however, is thoroughly well known, and yet British capital and British enterprise, as pointed out above, have been withdrawn in immense amounts from the islands. It is possible that the opening of the Panama Canal may produce a great change in this respect. As already pointed out, the West Indies will be the half-way house between Europe and Eastern Asia; also between Europe and Australasia. They offer, therefore, favourable opportunities for coaling stations, *entrepôts*, and the like. It is not at all improbable that there may be, therefore, a considerable influx of not only British but other capital and other enterprise into the islands, and that, in consequence, they may enter upon a new period of great prosperity. It is also possible that if there were to be a Governor-General of the federated islands of real capacity he might see ways of offering inducements to British capital and British enterprise that are not apparent at the present moment. All that can be said is that the islands are in great need of capital and enterprise—that the sugar industry, to take a particular instance, is not worked as it ought to be worked. The Germans in the beet industry have called to their aid all the resources of science. Consequently they have made that industry very profitable indeed. They have shot far ahead of the other Continental countries in this regard, and they compete successfully in the British markets with the West Indies. They have done so simply because they have made full use of all the resources of science and they have invested all the capital that was required.

If the West Indies are to recover the position they once

held, the sugar producers there must likewise make full use of the resources of science, and must be able to obtain all the capital that is needed. Not less urgent than the promotion of trade is the adoption of a sound sanitary policy. Everybody knows what a great work the United States has done in Cuba. And if the United States has been able to do so much in the short time in which it actually governed Cuba, what cannot be done in the British West Indies ? All the diseases that are bred by unsanitary conditions ought to be fought against resolutely, and especially yellow fever ought to be rooted out. The unhealthiness of the islands is one of the causes which have led to the withdrawal of British capital and British enterprise. Since the emancipation of the slaves almost the whole world has eagerly demanded capital, and it has applied, firstly, to the London market. The United States came to London to obtain the means of founding its manufactures and building its railways. Our own greater Colonies have done the same. And foreign countries like those of South America have followed the example set. When, therefore, all the world was applying for British capital those who had the disposal of it were able to pick and choose, and, not unnaturally, they avoided very unhealthy climates. Consequently, a real sanitary improvement would constitute a long stride towards bringing the West Indies once more into favour with British investors. It is low ground, no doubt, on which to base the desirability of a great policy of sanitary improvement. But it is an important ground for all that. The West Indian Islands need capital sorely. There are many reasons, of course, why they do not obtain it. But one of those reasons unquestionably is the unhealthiness of the islands. Therefore, a great sanitary policy would not only be beneficial to the people of the islands in regard to their health, and, therefore, make them more efficient workers

—it would also remove some of the prejudice against investment in the islands. But a great system of sanitary improvement would cost a great deal of money. And this brings us back to the suggestion that in some way or other, if the West Indies are to be restored to prosperity, a much larger revenue must be found.

As a first step to such a revenue it seems clear that there ought to be some form of federation of the islands. Assuming that some kind of federation were to be carried through it would immediately give an impetus to enterprise in the islands. In the first place, it is to be presumed that the best intellects in the islands would be brought together in Parliament and in other councils, and that friendly competition would thus be excited. In the second place, there would be given a new sense of power. Instead of each island having to depend upon itself, or having to look to the Government in London, with the reasonable probability that no answer to its demands would be received for months and possibly for years, the several islands would feel that joined together they formed a respectable State, calculated to impose respect upon all who were inclined to take liberties with them. This new feeling of strength would give encouragement to enterprise, and, as we see both in Canada and Australia, it would lead to a much greater progress than has yet been found possible. The question ought, of course, to be looked at, in the first place, from the point of view of the West Indian Islands themselves. And clearly everything that would help those islands to progress would be in the highest degree beneficial. But the benefits would not accrue to the islands only. As a matter of course, if the West Indies became more prosperous they would give a stimulus to the trade of the United Kingdom. From the United Kingdom the leading officials would be drawn, and no doubt also the best enterprise and a great deal of the

capital would likewise come from the United Kingdom. Over and above this, the trade of the islands would be largely with the United Kingdom. Unquestionably, the islands already do a large trade with the United States, and that trade is certain to grow as time goes on. But a very large part of the trade is likewise with the Mother Country. And if the islands progressed and their trade expanded, their trade with the United Kingdom would undoubtedly expand likewise. Nor would it be only the islands themselves and the United Kingdom that would benefit. It is incontrovertible that if prosperity was restored to the islands their trade with all other portions of the British Empire would increase, and thus in benefiting one portion of the Empire we should be strengthening the whole.

There is one other point which should not be left out of consideration: it is the assistance the islands are in a position to give to the United Kingdom for securing for itself its fair share of the trade through the Panama Canal. It is not difficult to account for the neglect with which the West Indian Islands have been treated since the emancipation of the slaves. Partly it is explained by the ignorance of business of our governing classes, and the assumption of Government after Government that it did not matter how incompetent might be the Colonial Secretary. Partly it is accounted for by the withdrawal of British capital and British enterprise from the islands, and by the disappointment experienced in regard to the emancipated slaves. And partly it is made intelligible by the extraordinary expansion of the Empire and the multitude of demands that crowded upon both the public and the Government for immediate attention. Nevertheless, it is very remarkable that the real value of the West Indies has been so ignored, and that so extremely little has been done to help them over the extraordinary difficulties in which they were plunged.

It is earnestly to be hoped now that the public will awake, and will see that even if we consider only our own interests with regard to the islands it is a matter of great moment to us to strengthen them in every possible way. For example, the opening of the Panama Canal will effect a great change in the position of the United Kingdom, as well as in that of the West Indies. Therefore, it will be necessary that the United Kingdom should have coaling stations on the way to Panama, as it has on the route to the Suez Canal, and also on that around the Cape. In that respect we are singularly well provided not only by the West Indian Islands, but by our possessions in the North American and in the Southern seas. If the opening of the Panama Canal proves to be as revolutionising an event as it is now expected to be, it will exercise a great influence upon all the maritime nations; and it is time, therefore, that the people of this country should institute most careful and searching inquiries as to the best means by which not only the United Kingdom itself, but every other part of the British Empire, should be prepared to take full advantage of the impending change.

The opening of the Panama Canal will, for example, greatly shorten the sea journey from the United Kingdom to the Pacific coast of Asia, including not only our own possessions, but all the great Chinese, Japanese, and Russian ports. At present a British vessel going to any of these, or, let us say, to Hong-Kong, has either to sail round Cape Horn or to go through the Straits of Malacca. When the Canal is opened the voyage through it will be shorter than either of the present routes. Consequently, there ought to be a very great increase in the trade of the Pacific coasts of Asia and America with Europe. Indeed, the opinion is widely held in the United States that just as the discovery of the mariner's compass transferred the commercial activity of the then world from the Mediterranean

to the Atlantic, so the cutting of the Panama Canal, together with the settlement of Canada and the United States on the one hand, and the opening up of China and Japan on the other, will transfer the great trading activity of the world from the Atlantic to the Pacific. Whether this view be or be not correct experience alone can tell. But it is obvious in any case that the rapid growth of population and wealth in America, Australasia, and the Far East; the extraordinary intelligence, enterprise, and energy of the whole of America, Australasia, and Japan, and the awakening of China, combined with the cutting of the Canal, will ensure an immense expansion in the trade of the Pacific countries. That being so, it is matter of life and death for the British Empire to be prepared in time to take full advantage of the Canal. We did take full advantage of the opening of the Suez Canal, and everybody who will reflect upon the matter will see how greatly that added to our wealth, and the consequent well-being of our people. When the Suez Canal, however, was opened our competitors were few and not well equipped. Now our competitors are many and exceedingly well equipped. We must not, therefore, rely upon our traditional luck in worrying through. We must, if we are to succeed, make sure by preparation in time for what is before us. As already said, the West Indies can give us immense assistance if we take the necessary precautions in time.

CHAPTER XXXVII

THE MAURITIUS, THE STRAITS SETTLEMENTS, AND HONG-KONG

MUCH space need not be occupied here by a discussion of the policy which ought to be pursued in regard to those British possessions beyond sea which are held mainly because of their strategic value, including under that heading not only those possessions inherently of strategic importance, but likewise those which are so incidentally because they are coaling stations, repairing stations, etc. Speaking generally, they are small, they have no great natural resources, and in connection with them there are few or no circumstances which hold out the promise that, given certain conditions, they may become highly prosperous economically. In short, from the Imperial point of view, they are prized not because of their intrinsic value, but because of their geographical position. Amongst other things, they confer upon the Power which holds them securely strategic advantages which in case of war might exert very great influence upon the ultimate result. From the point of view, however, of the possessions themselves their strategic value is not altogether advantageous. Often, indeed, it is the very reverse, for it involves them in conflicts in which without the strategic advantages they would have no interest, and, consequently, might escape dangers and losses in which without any action of their own they become involved. Clearly, therefore, it is the duty of the Imperial Government to recognise

that their very usefulness to it is often to them a drawback, and, consequently, that the Government is bound to do what in reason it can to make their connection with the Empire beneficial to them. It is not necessary, however, to enter into a separate inquiry into each case; nor, indeed, to detail elaborately what ought to be done. For the principles which have been found during this inquiry to be requisite for raising a community in the standard of living are applicable in their cases as well as in others. A few of these possessions, however, are peculiar, and therefore ought to be given a little special consideration.

One of these peculiarly circumstanced possessions is the Mauritius. During the great revolutionary wars with France, and previously during our struggles with that country for the possession of India, the French were able to use the Mauritius with great effect to harass British trade—so much so, indeed, that the island was invaded and occupied, and at the conclusion of peace was permanently retained. It was retained not in the belief that it might develop a great trade, or even might prove of value as a base for offensive operations in a future conflict, but rather to guard against the danger that it might, if restored, be used again by an enemy to prey upon British commerce. For a great part of the time that has since elapsed British supremacy at sea has been so unchallenged that the part played by the Mauritius in the great wars of a century ago had been completely forgotten, and consequently the value of the island was not rightly appreciated. But now that there are so many great navies, which are likely to grow both in power and in number, thoughtful people are beginning to recognise once more that the Mauritius may be of very great advantage to the Empire, situated as it is in the Indian Ocean, and therefore capable of rendering most important service to the Navy, as well as inflicting injury upon the

traders of hostile countries. The very circumstances which give it value strategically also are capable of attracting to it a very considerable trade. It lies on the route from South Africa to India. Indeed, its geographical position is such that it might easily be made a very considerable trading centre.

To enter into detail as to how the island might be made such a centre would be out of place here. But it is very certain that if the requisite thought, energy, and administrative skill were given to the subject, the material prosperity of the Mauritius might be very greatly increased. It would be out of place also to enter into any inquiry as to whether the Mauritius is being adequately prepared for the rôle it may be called upon to play in case of a great war. The investigation instituted here is properly limited to the best means of raising the material prosperity of the several communities composing the British Empire. The Mauritius, as has been seen, is very favourably placed for trade purposes. It has a very hot climate, it is true, but still a good climate considering all the circumstances. Its soil is fertile. Like the West Indian Islands, it is a producer of sugar and other tropical produce, and what has been said respecting the best means of reviving the cane-sugar trade applies to it in full. Its geographical position forbids federation, and therefore makes it certain that the island must always be subject to a community far more powerful than ever it can itself become. Yet it seems certain that if the necessary thought, capital, and skill were applied it might attract to itself a very flourishing trade. A considerable proportion of its inhabitants are Indians. They prosper there, and are a valuable addition to the island. It is, however, too small to afford settlement for many Indians. Therefore, it cannot relieve the poverty of India by attracting to itself a number of Indian immigrants. At the same time, the

Indian settlers are of decided value to the island. Since the agreement to abolish bounties on beet-root sugar the sugar industry in the Mauritius has been recovering. But the island is not as prosperous as it might become if its Government were in a position to energetically pursue the right policy. The Mauritius has been tried in many ways, not only by the keen competition of beet sugar, but also by the failure of coffee-growing and other reverses; and, being small in extent, it is not likely that it will soon attain a high place economically. Yet its economic interests should receive the best consideration, and everything practicable should be done to forward them. It is true, of course, that its value to the Empire is that it lies upon a great trade route, and is capable, therefore, in the event of hostilities of rendering important service both to the Navy and to the mercantile marine; but that, as already said, is a strong reason why its Government should not neglect, or even slacken in its efforts to promote, its material interests.

The Straits Settlements differ from the Mauritius in this, that they afford a striking example of a British possession which has high value, both strategic and commercial. The colony is one of the gateways through which Europe, Africa, and Western Asia communicate by sea with Eastern Asia, Australasia, and the South Seas in general. Its value to a maritime and commercial State can hardly be exaggerated. Therefore, too much care and too much expenditure can hardly be laid out upon it. As the half-way house between the West and the Far East Singapore has become a great emporium, and as a distributing centre it exercises great commercial and financial influence over extensive districts. How its prosperity may be affected by the opening of the Panama Canal is a question which ought to attract the attention not only of its own people, but of the United Kingdom and its

Government. It is to be expected that it will take time to develop the trade through the Panama Canal. Even if the Canal itself is finished as early as is now expected, there will then come the question of fortifying it. And, still more, there will be delay in changing the routes which have long been established. But if the Canal turns out to be what is hoped, all the arrangements for a great traffic through it will gradually be brought into existence, and ultimately that great traffic will be drawn to the new Canal. Whatever the delay may be in all this, it will soon pass away, for in the life of nations years are of small account. Therefore it is reasonably to be presumed that a good deal of the trade which now passes through the Suez Canal or round the Cape of Good Hope, and thereby through the Strait of Malacca, will be diverted to the Panama Canal route, assuming that the charges levied are not too high and that the accommodation afforded is adequate. If that be so the prosperity of Singapore clearly will be affected to some extent, for it has become what it is mainly because it is situate at the gateway to the Far East and the Southern Seas.

On the other hand, it is to be borne in mind that Australasia is awakening now to the necessity for developing all its resources, and as a step towards that of attracting settlers in large numbers. Furthermore, Japan is emerging from the exhaustion and expense of the war with Russia. Every day she is making great progress, and her progress is likely to be very rapid in the early future. Lastly, China, whose development has so long been arrested, seems to be recovering the energies which enabled her to found and maintain so vast an empire. If the signs are to be trusted, China is about to enter upon a new era of progress, and if that proves true it will give an immense stimulus to the trade of the Far East. The enterprise of Australasia, Japan, and China cannot fail to give an

immense stimulus to the trade passing through the Strait of Malacca. Over and above this, it is reasonable to assume that everything which promotes the trade of the Pacific coast of America, as well as the Pacific coast of Asia, will increase trade in every direction. Therefore, what Singapore may lose in one direction may be made up many times in other directions. However that may be, it is clearly the duty of the Government of the Straits Settlements to consider most carefully and thoroughly the probable influence of the Panama Canal upon the Straits Settlements, and to do what in it lies to prepare the Settlements for all eventualities. It is unnecessary to go into detail as to what ought to be done, for in the preceding pages the principles have been studied upon which must be based every sound policy intended to raise a community in civilisation and prosperity. But there are a few matters peculiar to the Straits Settlements which may profitably be discussed. One of these is the monetary system. Silver has always been the standard of value in the Far East. But, as the reader knows, the value of silver in gold has fallen greatly during the past forty years—is now, indeed, less than half what it was at the beginning of the seventies of last century. Consequently, the Government of the Straits Settlements, like the Government of India, has established an artificial currency. Professedly gold is the standard of value. In actual practice silver is the money in circulation. The value of silver is maintained by purely artificial means. It is a bad policy which ought never to have been sanctioned by the British Government. But that Government set the example in India, and the example so set has been followed not only by the Straits Settlements, but by Japan, China, Mexico, and practically all the silver-using countries. It is not likely, therefore, to be abandoned, and yet it is extremely improbable that for a long time to come the Straits

Settlements will be in a position to adopt the gold standard outright. As a consequence, the likelihood is that an artificial currency will be maintained, which will always be a danger to trade and may at times inflict serious injury.

Passing from this, it may be remarked that the whites in the Straits Settlements constitute a small minority. The bulk of the people are made up of Malays, Chinese, and so on. The whites are the governing element, and upon the whole they have pursued a praiseworthy policy—perhaps because they have been under the control of the Colonial Secretary. The Malays seem to be completely satisfied, while the Chinese constitute a very important element in the population—and a very valuable one, it may be added. They are excluded, as the reader knows, from the self-governing colonies and from the United States. They fully appreciate, therefore, the liberal policy pursued by the Straits Settlements, and they are loyal and contented. The policy hitherto pursued in this respect ought clearly to be continued, and the Government should do everything within its power to educate both Malays and Chinese, thereby not only to strengthen their orderliness and their loyalty, but to make them more efficient and, consequently, more valuable subjects. Lastly, it may be noted, that from the Straits Settlements British influence spreads over the Malay Peninsula; and every day that influence is becoming more effective and more penetrating. The Protected Malay States are orderly and, considering the circumstances, well governed, and they recognise the benefit accruing to themselves from British protection and British policy. Of late the Malay States have been growing rapidly in prosperity. The extraordinary demand that has arisen for rubber has benefited the Malay States by raising materially the price of the commodity and by causing an influx of British capital

for planting new rubber plantations. The whole influence of the British Government should be used not only to encourage the commercial development of the Malay States, but also to induce the native governors to establish education. It must, of course, be a slow work, but the longer it is postponed the slower it will prove to be.

Another instance of a British possession valuable both strategically and economically is Hong-Kong. It is a great emporium for the Chinese trade, and it is a most important naval station. Whatever may be thought of its original acquisition, there seems no room for doubt that our possession of it has helped to bring about the present satisfactory relations between this country and China, for Chinese merchants and Chinese workpeople have learnt in Hong-Kong the merits of British rule, and thereby have not only been induced to flock in large numbers to other British settlements in the Far East, notably to Singapore and the Malay States, but also have acquired a liking for British institutions. So long as China is politically weak our possession of Hong-Kong will probably strengthen rather than weaken the good relations. But if China ever becomes powerful in the naval and military sense it may be questioned whether our possession of the place may not prove to be a bone of contention between us and that country. However that may be, for the present Hong-Kong is indispensable as a naval base and is of immense value as a great trading emporium. The British occupation has been as advantageous to the colony as it has been to this country. From a commercial point of view it has made Hong-Kong a great trading centre. From a sanitary point of view it has immensely improved the healthiness of the place. From a political point of view, as has just been pointed out, it has helped to bring about good relations between the British and Chinese Empires, and it has served as an object-lesson to the peoples of the

Far East, illustrating the successful government by a great Empire of alien races. Yet it would be merely flattering our national vanity if it were to be said that we have done in Hong-Kong and the continental strip of territory appended to it all that we should have done or that it is desirable we should do.

The Government of Hong-Kong, like all other British Governments at home and abroad, has acted generally upon the principle that the proper duty of a Government is to give security to life and property, and that the less it meddles with other matters the better it will be for itself and for those subject to its authority. At home we are gradually learning how mistaken that principle is. For successful men of business it is, no doubt, an excellent principle. It enables them to shoot ahead of their fellows and to amass money. But the great multitude need to be helped, and will always remain in the station in which they are born if they are not assisted out of it. Throughout the foregoing pages the inquiry has been pursued into the question as to the best way in which a people can be raised in civilisation and prosperity. And it has been found in every instance that the mass of mankind can hope so to rise only if it is helped by its Government. Furthermore, the most important, effective, and lasting help that a Government can give is by establishing a sound system of education.

In Hong-Kong, as well as other Crown Colonies, very little has been done for education. Therefore, while the establishment of British authority has given security to life and property, and the inflow of traders, of enterprise, and of capital has created a great trade, which has improved the condition of the natives, yet we must not forget that these things are not permanent, or rather that their permanence depends upon the maintenance of British rule. If, for example, the British were to retire from

Hong-Kong, unless there was an extraordinary improvement in the character of the Chinese people and the qualities of the Chinese rulers, the prosperity we have caused to grow there would soon disappear. Moreover, whatever advantage has been obtained by the people who have flocked into Hong-Kong is a very small matter, for, after all, Hong-Kong is only a minute portion of China, and better trade, better employment, and better wages in Hong-Kong can have exercised but a very trifling influence upon the mass of the Chinese population. It is to be hoped that, little as we have done, it still has contributed something to the improvement of China. But if we look at the matter in the light of our responsibility to those over whom we have assumed sway we must confess that we have done very little to fit them for advancing themselves in the world. Nor can we hope to do much without founding a good system of education. The colony itself is so small, and it was annexed for such special objects, that it was not to be expected that we should have constructed great public works, and in that way much advanced the material condition of the people. Still, our presence there has made it highly desirable that the colony should be connected with other parts of China by means of railways; and the enlargement of the continental portion of the colony recently has undoubtedly given a new stimulus to railway building. There is every reason to expect that railways will further stimulate the prosperity of Hong-Kong and give it a still more important place as a great emporium for China.

CHAPTER XXXVIII

RHODESIA

OF the portions of the British Empire which are not self-governing there remain for consideration those larger territories with important coloured populations and a very small sprinkling of whites, such, for example, as Rhodesia, West Africa (regarding the term as geographical rather than political, and therefore including Nigeria), and the large possessions in Borneo and New Guinea. It would be, however, to weary the reader unprofitably if each of these were dealt with separately, for the principles that apply to the communities already considered apply equally to them. But lest there should be peculiarities demanding separate inquiry, it will be well to take as examples of all, and to examine into them as far as need be, Rhodesia and West Africa. Rhodesia, regarded simply as a portion of the earth's surface, is extremely valuable. It is rich in natural resources. Although it lies within the tropics, its climate is suited to white men. The soil is fertile, and is said to be capable of growing most of the things needed by man. It is believed even to be well fitted for cotton. But Rhodesia has, for its state of civilisation, a large native population of fine physique, and certain, therefore, under the protection of British rule, to multiply greatly and quickly. On the other hand, the white settlers are a mere handful amongst the multitude of coloured people. Inevitably it must enter into the new South African Union. It has not a sufficient white

population to remain outside and to maintain itself apart from the Union. It may, therefore, reasonably be concluded that as soon as the most pressing questions relating to the new Union are settled negotiations will be opened for the acquisition of Rhodesia. Naturally, the white settlers in Rhodesia will be glad to enter the Union. The Chartered Company, it is reasonable to suppose, will meet the Union in an accommodating spirit, and, as a matter of course, the Home Government will be guided in its action by the wishes of the South African Union, the Chartered Company, and the white residents in Rhodesia. It follows that the natives in Rhodesia will have absolutely no say in shaping their political future.

Experience has made it clear that all parties in this country have lost the interest in the black man which was excited by the agitation for the abolition of slavery, and which existed for a long time afterwards. When the struggle with the Boers came, evidence of the most conclusive nature was given again and again that all parties in this country were ready to sacrifice the coloured people. When the struggle with the Boers became imminent, it was determined not to employ coloured troops in the war. More remarkable still, when the Vereeniging agreement was arrived at, the British Government bound itself to leave to the whites in South Africa to determine whether and when the coloured people were to be enfranchised. It is absolutely certain, therefore, that the British Government will not show itself more concerned for the coloured people of Rhodesia than it has shown itself for the coloured people of the self-governing portions of South Africa. It is, of course, possible that the Chartered Company may exhibit greater statesmanship and more regard for the people over whom it forcibly assumed sway. To secure Rhodesia for the new Union the Chartered Company must be bought out. Therefore, the directors of the Chartered

Company have it in their power to make terms for those of their subjects who are absolutely without the ability or the opportunity to make terms for themselves. Whether the directors will so act remains to be seen. If they have the statesmanship and the foresight to insist upon some terms, it is earnestly to be hoped that, at least, they will covenant that educational provision not altogether inadequate shall be made for the blacks, and that after a reasonable time blacks shall be eligible to sit in the Federal Parliament, even if in addition an educational qualification is required. This is not a mere sentimental question. It is a question which will have the greatest influence upon the future of the Union.

The British Government has always misunderstood South Africa. It has not merely not taken the trouble to form a definite policy, but most usually it has been wrong in the decisions which it has taken. In nothing has it been more wrong than in its dealings with and for the blacks during the late war, and before full self-government was granted to the Transvaal. It is impossible, however, to go back on what was then done. But there is time still to make some reparation to the blacks. Rhodesia, it is never to be forgotten, is about the size of France, Germany, Austria-Hungary, and Italy added together. It is, therefore, not merely vast in extent, but it has potentialities of inestimable value. The new Union will never be complete or even secure until Rhodesia is joined to it. Both Mr. Rhodes and President Krüger thoroughly understood what Rhodesia meant to Cape Colony and to the Transvaal; and all the world has since recognised the correctness of their appreciation. That being so, there clearly is one more opportunity for doing something to guard against evils which in all probability will come if the opportunity is neglected; and also for acting up to the responsibilities which rest

upon the British people and upon the British Government as their agent and representative. Assuming that the opportunity is neglected both by the British Government and by the Chartered Company, and that the whites of South Africa are allowed to settle the future political, economic, and educational status of their country at their own will and pleasure, the prospects of Rhodesia do not seem very brilliant. It will form part of a great federation extending from Cape Town to Lake Tanganyika, or, roughly, about 2000 miles; let us say, for the sake of illustration, about the distance from Gibraltar to Riga. In this federation a small white caste will exercise unlimited power over a population perhaps ten times its numbers. Except in Cape Colony the natives, however educated they may be, have no vote, and though it is always rash to venture upon prediction, it seems highly improbable that they will get the vote in the early future. Moreover, the natives, speaking generally, are still in the tribal condition. They hold their lands in common; they practise polygamy; and, as far as it is possible to understand native tribal arrangements, the bulk of them have little personal freedom. In short, they are in a low stage of development. The small white oligarchy will not reduce the natives to legal slavery. But for all practical purposes the natives will be in a servile state. They will get such education only as their white masters think it safe to vouchsafe to them. They will have no voice in the management of public affairs, and, therefore, they will get such rights of property and such personal rights only as their white masters think it safe to give them. Moreover, the natives are in such a low stage of development that they are not industrious, and, consequently, are not likely to make much economic progress for a considerable time. On the other hand, the white oligarchy live in a country which, taken altogether, is very hot—a great part of which,

indeed, as already said, is within the tropics, and the larger part of the remainder is sub-tropical. No doubt the heat is tempered by the height of the land above the sea, as the late war taught all newspaper readers. But for all that the country is, for the most part, either tropical or sub-tropical. Consequently, if we may judge from the experience of white settlers in other tropical and sub-tropical countries, the whites of the South African Union are not likely to be distinguished for their commercial aptitudes or their labouring vigour. What it is reasonable to expect is that the white man will not himself work with his hands where he can escape the necessity for work, but that he will compel the coloured man to work for him.

The circumstances being such it does not seem likely that the economic progress of the new Union will be either rapid or remarkable. The whites, proud of their race and of their colour, which is the outward and visible sign of the race, will display the virtues and the defects of a great aristocracy. They will be brave in the extreme. They come of fighting races. And their position, a handful amongst multitudes of alien subjects, will compel them to be always on their guard against insurrection. We know from our own experience what splendid fighters the Boers are. And we know, also, what the whites of the Southern States of the great American Republic did under General Lee in the Civil War. We may reasonably expect, therefore, that the South African whites will be splendid soldiers, and that if attacked they will give an excellent account of themselves. But with the virtues of a great aristocracy they will have its defects likewise, and therefore it is to be feared that the position of their coloured dependents will be anything but enviable. Indeed, one can conceive of few states more intolerable than coloured people without a vote, without education, and without organisation, absolutely ruled by a small white

oligarchy. Both our great parties have shamefully disregarded their responsibilities as trustees for the coloured man in South Africa. But, unfortunately, it is impossible now to undo what has been done. Therefore, it is feared that there is much trouble before South Africa. If the white men prove to be more industrious and more commercial than seems likely at present, if they educate the natives and gradually prepare them for taking part in the management of public affairs, the fears expressed will prove entirely unfounded. If not, the best hope for the whole country is that the whites, without resorting to brutal measures, will compel the natives to work. They will have a very strong motive for doing so. But if they adopt cruel and oppressive measures to compel the natives to work they will make matters worse. If, on the other hand, they use just means to compel them to work, that will be the first step in their salvation. The natives must be able to live in a state of the modern character or they cannot survive.

Having learned to work, the next important thing is that they should be given education, and that they should be taught thrift. If they are even moderately instructed, and become moderately thrifty, the best amongst them will gradually acquire some wealth, and ultimately, no doubt, a middle class will grow up. Then it may be hoped that the coloured middle class in South Africa will effect what the white middle class effected in Europe in the Middle Ages, and extract from their masters some degree of security for both life and property. But if the white oligarchy is more impressed by the dangers to which it is itself exposed in a sea of coloured men, possibly all hostile, and especially the dangers to which its women are exposed, then it will be inclined to restrict to the utmost the opportunities of the coloured race, and there will be only one chance

for real progress, and that will be revolution. There is no instance in history of a small, brave, and watchful oligarchy ever acting—not to say generously, but even fairly to a subject population. The Helots were apparently near akin to the Spartans, and yet we know how unsparing were the latter to the former. The internal history of Republican Rome is little more than a narrative of the conflicts between the Patricians and the Plebeians. In the end the Republic was destroyed by the endeavour of the rich to keep in the hands of the wealthy classes the lands taken from the peoples conquered by Rome. Lastly, the old monarchy in France came to ruin because of the unwillingness of the privileged classes to give up their privileges.

The case of Ireland may be pointed to as disproving the pessimistic view here taken, since in that country during the past century the Ascendancy Party has been deprived of its privileges piecemeal. But Ireland is within a couple of hours' sail of the English coast, and the Irish Ascendancy Party was dependent for its position on English protection. When, therefore, England determined to put an end to the Ascendancy Party, the latter had no option but to submit. In a word, the Irish case strengthens instead of contradicting the contention above advanced, for the Irish ruling aristocracy did not part willingly with its power. On the contrary, it struggled hard to retain it. It was, however, compelled by England to submit. Unlike Ireland, South Africa, let us remember, is thousands of miles away from the Mother Country, and even if the latter had the will to interfere, it could not do so effectually. Therefore, the weal or the woe of South Africa must be determined in South Africa itself, and, looking at the low stage of civilisation in which the natives are, their utter inability to oppose the whites and yet their vast superiority

in numbers, with the danger there always must be that their animal instincts may at any moment overcome their fear of their masters, it must be admitted that there seem ample grounds for apprehension regarding the future of both whites and coloured people. If the coloured people were in a higher stage of development, if they were industrious, moderately thrifty, and possessed of some property, it would be permissible to take a much more hopeful view. In a country like India, for example, and especially in the more advanced parts of Northern India, it is easy to conceive that a white oligarchy might come to terms with natives, supposing the natives to have been conquered and a white oligarchy to have been planted in the land. To cite only one reason, the white oligarchy would be compelled to recognise the civilisation of the natives, and, therefore, the possibility that a leader might arise amongst them who would be able to command the enthusiastic following of his co-nationalists, and that in that case the danger to the whites would be extreme. In such a community there is not merely need, there is a probability that the opposing populations will come to some kind of arrangement which will admit of further and further improvement as the years pass. But where the natives are so low in the scale of civilisation as they are in South Africa the chance of concessions by the ascendancy caste is very small.

It is very nearly half a century since the emancipation of the slaves in the Southern States of the great American Republic took place, and yet the ascendancy of the whites is very nearly as great as it was in the days of slavery. It is true the black man is no longer a mere chattel, to be sold like a cow or a horse. It is true, also, that he cannot be flogged with impunity. But most of the political privileges given to him by the conquering North he has

lost, and the solid South exists to-day almost as it existed more than half a century ago. If the whites of the Southern States, in spite of the amendments to the Constitution of the United States, in spite of the reconstruction of the Constitutions of the several slave States, in spite of all the efforts made by the Republican party for many years after the close of the Civil War, have been able to reassert their power and make themselves almost absolute in the old slave States, what probability is there that the whites of South Africa, made by this country absolute masters of that vast territory, will show themselves more accommodating than the descendants of the old slave-owners in America? Remember that the whites of South Africa are very near akin to the whites of the Southern States of the American Union. They have the same high spirit and dauntless courage, the same pride of race and colour, the same determination not to admit the coloured man to equality with themselves. Is it not a reasonable inference that, unless some totally unexpected interference happens, they will fight to the death rather than abate one jot of their privileges?

It may be objected that the natives, being so low in the scale of civilisation as to be incapable of fighting the whites, will have to submit, will gradually come to regard their position as a natural one, and to look up to their white masters with admiration and respect; and that, therefore, the state of things now being established will continue without much internal discord indefinitely. That may be so, of course. But it is difficult to believe that it can be. The world is altogether changed during the past fifty or sixty years. The railway and the steamship have brought all parts of the earth close together. It is impossible to shut out communication with other countries. It is impossible to prevent a subject popula-

tion from knowing what is going on beyond its borders. It is impossible to guard against that invasion of new ideas, new thoughts, and new aspirations which, for example, at the present moment is stirring Asia and North Africa into an unrest which is one of the striking marks of our epoch. As the years pass communication with South Africa will become closer and more constant, and, in spite of all the precautions that may be taken, the natives will grow in intelligence and in the desire for a better life. When that time comes there seems only too much reason to fear for the consequences, because there is no means of discovering an outside power which can compel moderation and compromise.

If it should turn out that there is greater statesmanship amongst the whites of South Africa than is now believed, that as a body they can take long views and can recognise the need there is for endeavouring to make the immense mass of the coloured people contented with their lot, it is simple enough to see what they ought to do. In the first place, they ought to establish a good system of education for the coloured people. To educate the coloured people will be a slow process, partly because the country is of such vast dimensions, and the population is sprinkled so sparsely over it that schools must for a long time be few and far between; and still more because, even if enough of schools could be built, competent teachers could not be found. A few enthusiastic whites, no doubt, would come forward. But the bulk of the teachers must be coloured people themselves, and to teach coloured people to teach others will manifestly be a very slow and difficult process. Still, if there is sufficient far-seeing statesmanship to continue the work steadfastly, it will in the long-run so improve education that it will make the people more efficient workers, and

by enabling them to rise in the world will make them more satisfied with their lot. Education, as so often said, is the only certain means that can raise a people. But it needs to be supplemented by many other things. For their own sakes the whites will construct railways, will develop the resources of the country, will establish ports—will, in short, do everything necessary to enable them to become prosperous. But if they have real patriotism, and are able to recognise what the true interest of the Union requires, they will come to see that for the sake of all South Africa it is absolutely necessary that an opening should be made for the coloured people to share in the general prosperity. In the ultimate resort that practically means that they will have to come to the decision to extend the franchise to the coloured people. Before that comes about, however, they will have to deal with the land system of the coloured people, with the relations between the chiefs and the clansmen, with polygamy, and a great many other things. If they are well advised they will deal tenderly and carefully with all these things. They will remember that, however unsatisfactory the land system may seem to them, it is a system to which the coloured men are accustomed, and, therefore, they will not break it up either roughly or too hastily. Again, they will be careful in their dealings with the marriage customs of the natives. While keeping the right end in view they will be tender towards the superstitions, customs, and prepossessions of the coloured people, and will always bear in mind that whatever happens the coloured people will remain the great majority of the population of South Africa, and that, therefore, nothing ought to be left undone to make them as contented as possible with their position. But while the highest statesmanship requires that they should in their attempts to reform and make more efficient

the coloured people be tender to the weaknesses of the latter, they should never lose sight of the end which they ought to have in view, namely, to prepare the great mass of the people, who will always differ in colour from themselves, for sharing in the work of making South Africa a desirable home for an intelligent, prosperous, and efficient people.

CHAPTER XXXIX

WEST AFRICA AND NEW GUINEA

It is not possible to speak with the same confidence respecting the immediate prospects of the gold-bearing portion of West Africa as has been hazarded in forecasting the future of Rhodesia. Auriferous West Africa, it is true, resembles Rhodesia in some respects. According to all the evidence before us it is rich in gold, and as gold mining on a considerable scale implies the presence of very many white managers, engineers, and so on, there is a possibility that a considerable white settlement may take place there. But whereas Rhodesia stands high and the heat, therefore, is tempered to such an extent that a large white settlement is admittedly possible, not only in the open country, but also in the towns, the climate of West Africa is bad. In the portions where gold is being worked it is, indeed, exceedingly bad. Of course, it is to be borne in mind that the climate may be greatly improved if the necessary measures are taken. It used to be said not very long ago that the eradication of yellow fever in Cuba was impossible. Yet we know what has been done since the American occupation. Therefore, few thinking people will attach much importance to the allegations now made respecting the cost and difficulty of draining the swamps of West Africa. With the necessary expenditure everything required to bring about a great sanitary improvement is possible, seeing the advance that both the sanitary and the engineering sciences have made. Still, the ex-

penditure that would have to be incurred is formidable, and it is possible, therefore, that there never may be such a white settlement in West Africa as would lead to the kind of society which is being built up in South Africa, a society consisting of a white oligarchy having in its hands not merely the whole government, but practically, likewise, the whole property of the country. If there is not a large white settlement the early future of West Africa may turn out to be more satisfactory for all classes of the community than the early future of South Africa at present promises to be.

If the goldfield is proved to be as rich as it is now believed to be, West Africa will be able to raise a large revenue, which will enable the Government, if it has the statesmanship and foresight to recognise its full responsibilities, to carry out great sanitary works and to establish a form of administration calculated to civilise the natives, and gradually to fit them for free institutions and self-government. The interior is fertile. The people are physically fine. The discipline which can be maintained among the Hausas proves that the native of the western half of Africa has qualities which, if carefully developed and trained, are likely to make him not only a fine soldier but an efficient worker and a good citizen. Therefore, on the assumption that there is not a large white settlement, there seems to be good ground for believing that if the Government fully recognises its responsibilities, and earnestly endeavours to work up to them, it may succeed in raising the natives to a comparatively high level of civilisation. There is, however, too much uncertainty respecting the influence that will be exercised by gold mining upon the future development of West Africa to justify a very confident opinion either as to the action of the Government in regard to the coloured people, or as to the impression that will be made

upon the natives by Government policy and the results of gold mining.

If there is a large white settlement it will insist sooner or later upon obtaining self-government. And with self-government it will get into its own hands the government of the native races, and, therefore, will carve out their future at its will. But there is no experience of a small number of white settlers having absolute control of the government of a great multitude of coloured people extending their own privileges to the natives. They are, in the first place, too much afraid of the coloured people. They themselves are a mere handful amongst a great multitude of natives little above savagery. In the second place, they are revolted by native habits and native customs. And, in the third place, the pride of race and of colour forbids them to associate in any way with an inferior race. Consequently, until it is seen whether there will be a large white settlement or not it is useless to speculate as to what the Government can or will do. In justice to the Government it must always be borne in mind that the difficulties before it are extremely great, and that the members of the Government are not likely to be chosen with great care for the special work it is desirable that they should accomplish. The climate is extremely trying; few people can stand it long; most persons require leave at frequent intervals; the society is by no means attractive; the salaries are not very large—in short, there is practically nothing to induce a really competent man to accept service in the country. Accident may bring a highly competent man; but no capable man who knows his value is likely to accept a place there. It is not reasonably to be expected, therefore, that the Government will be highly efficient and permeated with a sense of the grave responsibilities resting upon it.

Over and above this, white men presumably go there

more or less as adventurers. They hope to make money quickly so as to be able to return home, and they have very little other interest in the territory. Probably the very low civilisation of the natives disgusts them, and rather leads them to think that any treatment is good enough for them. Lastly, the natives themselves being in a very low stage of development are not likely to help their governors in raising them to a higher condition. If the British people were fully impressed with their own responsibilities to the various races in the Empire of low civilisation they would, of course, insist upon the requisite measures being taken to improve their lot. But the British people do not recognise their responsibilities. The British Government is immersed in business which no body of men could get through satisfactorily in the time at their disposal. Consequently, the least pressing is put upon one side, and so it turns out that the Government on the spot is left to do what it considers to be the best. There is not much prospect, therefore, of very rapid improvement. But there is no difficulty in stating in general terms what is required to raise the condition of the people in the standard of living. The first thing unquestionably is to select a supreme head of the local Government fully alive to the greatness, the difficulties, and the practicability of the policy he is expected to carry out. As already insisted upon, the Imperial Government cannot give its attention to the details of administration at so great a distance. It can only perform its duty to the territory by sending to govern it the most capable man it can find. And, in order to secure his continuance for a reasonable time, it is essential that he should be adequately paid. In the second place, he should be given a small but efficient body of trained white lieutenants. In the third place, the Government so chosen should understand clearly the policy it is expected to pursue,

and should be given the full confidence and the full support of the Home Government in carrying it through. The agents who are to carry out the policy having been thus selected it is unnecessary to dwell upon what the policy is. It has been insisted upon fully in the foregoing pages. It is enough, therefore, to sum it up as education in the first place, sanitary measures in the second, a good land system in the third, and cheap and rapid communications in the fourth place.

Nigeria is believed to be very rich agriculturally. Amongst other things, it produces silk and cotton. Moreover, it is said to contain rich oil wells. Already, therefore, many prospectors are being attracted, and great hopes are placed upon it in regard to cotton-growing. For all that, unless gold in large quantities is found it is not likely to attract a large white settlement. There will, of course, be a considerable number of whites. But they will, for the most part, represent companies or associations here at home. They will superintend the coloured people, but they are not likely to settle in such numbers as to be able to compel the Government to conform to their views. A great white settlement inevitably compels the Government to hand over to it all power. But, as far as can be judged at present, Nigeria does not seem likely to attract a large white settlement. Consequently in Nigeria, and likewise in New Guinea and Sarawak, the British Government, in all reasonable probability, will have an opportunity for performing a work of real civilisation such as has never hitherto fallen to the lot of any great progressive and highly civilised Government. The Government has in its favour, moreover, long experience in different parts of the world in the management of subject races in a low stage of development, and, therefore, it has had abundant means, under widely varying conditions, to learn the very

difficult lesson how to raise such races in the scale of civilisation.

In the countries referred to—Nigeria, New Guinea, and Sarawak—which at present, at all events, are not known to be rich in the precious metals, the reasonable prospect is that white men may trade, may administer, may even settle in a few individual cases, but with such few exceptions they are not likely to make a great settlement. The future populations of these countries, if the forecast turns out to be true, must be predominantly the descendants of the present natives, and the task of our Government is to raise the natives in the standard of living as quickly and as effectually as is possible. One of the first questions to be considered is whether the Government ought intentionally to break up the tribal system. Many persons will probably incline to answer that it ought to do so. Evidently, if the native is to be civilised the British authority must be sufficiently strong to make practically hopeless any attempt at insurrection. Therefore it may be argued that a sufficient military force should be raised to be able to put down any resistance without delay; and that, consequently, the native should, as soon as possible, be led to understand that he has to deal with a Government which is practically irresistible. But if the Government is practically irresistible, it may be argued that it is its duty to abolish without delay all savage institutions and customs. There is force in the argument, of course. Yet it is based upon misapprehension of the real duty of a Government and of what it is capable of doing. It does not take account, that is to say, of the fundamental principles of human nature.

If we are to make our government of Nigeria, New Guinea, and Sarawak really beneficial to the natives as soon as possible—and few persons will dispute that that is what we ought to endeavour to do—it is obvious that

we should take the utmost care not to inspire them with hatred and terror, but rather that we should try to win their confidence and induce them to accompany us on the road we propose to travel. Therefore, it appears to be far the wiser course to respect, for a time at all events, existing native institutions and customs not too revolting to be endured, and to use the chiefs as far as possible. They are the acknowledged leaders of their tribes. The tribes obey them voluntarily, and if we can imbue the chiefs with our notions, or, if that be impossible, if we can lead them to act upon our instructions, it will be much easier to carry out our policy than if we get rid of the chiefs and depend solely upon our irresistible power. Remember our experience in Ireland and the Highlands of Scotland respectively. At the beginning of the seventeenth century the English Government abolished the old clan system in Ireland. It confiscated the lands of nearly all the clans and handed them over to foreigners. The result everybody knows. In the Highlands of Scotland, on the contrary, the chiefs were not hunted down. Their descendants survive to this day. And with the exception of two or three risings the British Government has had very little difficulty in governing the Highlands. The one mistake which it made was in taking it for granted that the chiefs were landlords of the clan lands. Returning to the immediate subject before us, it will be necessary not to invest the chiefs in Africa and the Far East with overmuch power. Nobody wants to create a feudal system in which the chiefs will represent the feudal barons and the members of the tribes the barons' followers. What is wanted, on the contrary, is a community which will permit of being made commercial with the least resistance and the least delay possible ; and, above everything, there is wanted a good land system which will fix the people upon the soil and lead to a prosperous agriculture. Great

care must be taken, therefore, to avoid investing the chiefs with undue power. The Imperial policy, in short, ought to be to use the chiefs immediately for the purpose of inducing their followers to obey without armed resistance. But those charged with carrying out that policy should shape it in the future for the express purpose of converting the chiefs into servants of the Government, military officers, country gentlemen, professional men, and the like, and training the people with a view to their becoming efficient workers and good citizens. The bulk of the land ought to be reserved for the people themselves.

This leads up to the exceedingly important question whether British policy ought to aim at breaking up the tribal system as quickly as possible and dividing the tribal lands between the members of the several tribes. There appear to be exceedingly strong reasons against such a proceeding. The natives have been accustomed to the tribal system for countless generations. They are warmly attached to it, and to break it up would almost inevitably create disturbance. Even if our power was so great that armed resistance did not take place we should dislocate the whole native system and cause untold suffering. It cannot be too often repeated when dealing with this matter that a very low stage of civilisation means, among other things, very little self-reliance in the case of individuals; very little conception of individual rights and individual duties; utter ignorance respecting the manner of living of more civilised people; and, consequently, helplessness on the part of a member of a tribe suddenly turned adrift from the tribe. It seems, therefore, to be reasonably probable that if the tribal system were broken up too quickly the members of the tribes would find themselves incapable of taking their proper places in a free community, and that, consequently, there would follow mischief of every kind.

What seems to be the true policy to be pursued is indicated by that which has been followed in India. In spite of the unrest in India at present our administration of that great Dependency has been surprisingly successful. And its guiding policy has been, from first to last, to recognise the institutions, laws, and customs which we found in existence, and gradually so to modify them as to bring them into harmony with the changing circumstances of the country. It is perfectly true that in the evolution of civilisation the tribal system has disappeared in most countries. Still, it is not to be forgotten that survivals of it are to be found in many, notably in India and Russia; which seems to suggest that changes ought to be made very gradually and cautiously. Furthermore, the new land theories of recent years, the co-operative and socialistic theories in all their different forms, remind us that opinion is by no means unanimous that the individualistic land system is the best. We ought, therefore, to do nothing which would commit us to any definite dealing with the land. In any case, a Government is not a scientific investigator or a scientific thinker. Its business is to govern, not either to formulate or to adopt theories. Therefore, the conclusion seems to follow that our true policy is to accept for the present, at all events, the tribal system as we find it, and to recognise clearly that the chief is not the owner of the tribal land. He simply is entitled to certain rights to enable him to fulfil his functions as chief magistrate, chief judge, and commander-in-chief. The land really belongs to the whole tribe. For the present, at all events, it should be held for the benefit of the whole tribe, putting off until we have attained fuller knowledge its definitive distribution. At first it is clear that the members of the tribes would not be fit for private ownership. But there is no reason why we should not, while maintaining the common ownership of the lands,

make provision for a time when tribesmen might be willing to agree to some change in the system, whether in the direction of a more scientific and efficient system of co-operation or in the direction of private ownership.

Two other questions arise—as to polygamy and slavery. Both ought to disappear as early as possible. But both require careful and tender handling. With regard to polygamy, it is to be remembered that a native buys as many wives as he can for the purpose of making them work for him. The wives are little better than slaves. For that reason, if there were no other, the system is obnoxious to all our notions of right and justice. Yet the family system of vast communities requires exceedingly careful and delicate handling, and it is quite possible that over-zealous reformers, in their desire to benefit the women, might end by making their lot worse than before. The true policy seems to be to advance cautiously and gradually. Obviously, it is not in the power of a Government in London to deal safely, adequately, and in the best interests of all concerned with such a matter as polygamy. Consequently, the right course, as already suggested, would be to appoint a man as governor who was in full sympathy with the policy of the Government and was competent to carry it out. He ought to be allowed largely to select his own subordinates. And if the nominations are made with sound judgment the men on the spot will be best able to decide how the details should be carried out so as to attain with the least resistance the ultimate aim, the abolition of polygamy and the establishment of a system similar to our own. In the same way the abolition of slavery is easy enough wherever a Government has power to enforce it. But it may very well happen that emancipation is a doubtful advantage to the very young or the very old slaves. A very old slave, for example, who has spent his life in working for a master, is usually cared for by his

master when his working days are over. But if the old slave is emancipated who is to look after him? Clearly, then, if immediate emancipation in any district is determined upon, provision ought to be made for the old and the very young.

The outcome of the whole inquiry regarding these very backward portions of the oversea possessions of the Crown is that they require a Government even more intelligent, more efficient, more sympathetic, and more far-seeing than the communities in a much higher stage. A people fit for self-government determine for themselves what their policy is to be. A people in a stage a little lower may not be able to do that, but they can help in guiding their Government. But a people so childish as the very backward races of Africa and the Far East are helpless in the hands of their rulers, and if the foundations are to be laid for a progressive, instructed, and humane civilisation, there is need for officials of an exceptionally high type. Unfortunately, the territories here under consideration are quite undeveloped, will not become rich for many a day, and, therefore, cannot afford a great staff of white men of the kind pointed to. Yet the real success of our government of these lands will depend upon our employing the very best British public servants that can be found. That is proved abundantly by the success of our Government in India, to whose service we have attracted an exceedingly high type of man by the great prizes we held out to them. It is difficult to see how such men can be induced to give their lives to the civilising and raising in prosperity of the savage and semi-savage possessions of the Crown. But if we are to succeed it will have to be done.

PART IV

THE SELF-GOVERNING DOMINIONS, COMMONWEALTHS, AND UNIONS

CHAPTER XL

CANADA

THE Government of the United Kingdom has renounced the claim to meddle with the internal affairs of the self-governing Dominions, Commonwealths, and Unions beyond sea. Nor is the opinion of the people of the United Kingdom entitled to much weight in regard to the policy adopted by those federations for the promotion of their own special interests. Nevertheless, to complete the review of the British Empire it may be desirable to consider briefly how best the prosperity of all classes in those great communities can be advanced and consolidated, bearing clearly in mind that the principles already found best calculated to raise communities in well-being and civilisation apply to the Daughter Countries as much as to all other parts of the Empire. Beginning with the oldest and greatest of the Daughter Countries, it may be said at once that events seem to be shaping themselves in Canada in a very favourable manner. For a considerable time Canada, to the less intelligent observer, seemed to be making but little progress. Indeed, one often heard her condition contrasted, not to her advantage, with that of

the great neighbouring Republic. To the thoughtful and careful observer, however, the explanation was clear enough. Canada had been settled later than the United States, and, furthermore, the original settlers in Canada were French, and not British. Moreover, the soil of Eastern Canada, the first part colonised, was not especially fertile, and the climate was likewise less genial. It was a matter of course, therefore, that the growth of Canada in wealth and population should for a considerable time be slow. It need hardly be pointed out that a country is not capable of receiving, employing, and assimilating a very large immigration until she has herself a population so much larger that she can reasonably expect to assimilate the newcomers, and until she has, in addition, such accumulated wealth as will enable her without serious inconvenience to give employment to the immigrants. As soon as Canada reached that stage she began to make very rapid progress. And her advance was greatly aided by the federation of her provinces. At first sight it seems a great disadvantage that the people are divided into two great races. The native Indian in Canada, just as in the United States, seems to be dying out. He probably will continue to contribute very little to the future population of the Dominion ; and in what has just been said reference was not intended to him. But there is, as matters stand now, a very large population, French by descent, French in speech, and Catholic in religion ; while there is a large British population which is British by descent and in speech, but is largely Catholic as well as Protestant. Not very long ago capable observers were not very confident respecting the future of Canada because of this diversity of race. Now, however, it is beginning to be recognised that the diversity in the long-run will probably prove to be an advantage. The French Canadians are more conservative and less enterprising than the British. They

may, therefore, prove to be a healthy restraining force. On the other hand, their want of enterprise will probably prevent them from increasing as rapidly as the British, and as the portion of Canada on which they are settled is less fertile and less favoured by climate than the great prairie States, the reasonable probability now appears to be that the growth of the British population will be much more rapid than that of the French, and that in a generation or two the British element will be out of all comparison the preponderant one. Canada, moreover, is favoured by the absence of extreme poverty. There is not the extreme poverty in her cities that there is, for example, in New York and Chicago; and she has almost boundless wealth of land upon which immigrants can settle on very easy terms. Over and above this, she has the advantage of all the experience of the United States. If her statesmen and her people are wise they will study that experience closely; they will avoid the inevitable mistakes which the United States fell into, largely from want of experience, and they will benefit by what was good in American methods. At the present moment immigrants are pouring in rapidly not only from the older countries, but even from the United States, while great efforts are being made to open up all parts of the territory as quickly as circumstances permit. Moreover, both people and Government are fully aware of the importance of a sound scientific system of education, and they are building up such a system with apparent success. The country is very new, the population is very sparse, and the revenue available is not very large. Consequently, it is not to be presumed that the system can be established all at once in its full integrity. Nevertheless, the progress of education is very satisfactory. The common-school system is being built up everywhere, and provision is being made for passing on clever boys and girls from the common schools to the

universities. That is the first great step in nation-building, and if Canada pursues unwearingly what she has begun, she will secure for herself a great future.

Canada, furthermore, has a land system, borrowed mainly from the United States, which is well calculated to attract settlers. The intending settler is offered a conveniently sized farm on exceedingly easy terms, and, therefore, settlement is being stimulated successfully. It may be that Canada would act wisely if she reserved some portion of the vast supply of unsettled land for future experiment in land ownership. The United States has practically given away very nearly the whole of her soil. She is committed to the individualistic system of land ownership. Canada still has the opportunity to reserve for future generations a portion of her soil, which those generations may open to the individual owner or not as they deem best in the interest of the Dominion. However that may be, it certainly is desirable in the true interest of Canada that she should take great care to avoid the worst mistakes made by the United States. The great Republic is beginning to find out that in its eagerness to open up its territory and to attract immigrants it did not set sufficient store upon its natural resources. Consequently, a movement is now springing up for the conservation of natural resources. It would be wise on the part of Canada to take the lesson to heart, and to make sure, while there is still time, that there is no waste of such resources. To take but a single illustration, Canada had only a short time ago immense wealth in her forests. It is to be feared that she did not quite understand how great that wealth was, or what a duty in regard to it rested upon her in regard to future generations, for the destruction of forests has proceeded, as far as one can judge, much too rapidly. There is time, of course, to stop the mischief and to retrieve whatever harm may have been done.

It is only necessary to refer to this one case to make plain what is meant in saying that even, good as the land system of the United States and Canada is, it may lead to not a little injury if great care is not taken. To encourage railway building, which was urgently needed, Canada imitated the policy of the United States and granted away immense tracts of land. Whether the policy in the individual cases was right or wrong, it clearly lends itself to abuse. There can be no serious doubt that in the United States the land grants were very often abused, and it is possible that they may be abused in Canada likewise. However that may be, the land system of Canada is good in this sense, that it enables an industrious man to obtain a considerable farm on exceedingly easy terms; that, therefore, it attracts immigrants in large numbers, and, consequently, stimulates the growth of population. There is another point in regard to which Canada ought to be warned by the experience of the United States. In the latter country the soil is very rich. Therefore, farmers can enter upon new land and till it for a considerable time without applying much fertilisers. In that way the fertility of the soil is quickly exhausted and the farmer passes on to new land. Before the custom becomes established in Canada it would be wise of the Canadian Government to take measures to prevent it. It is well to encourage settlers to take up land. But it ought to be insisted upon that the land must be properly cultivated. Over and above this, Canada is opening up her territory in every direction by means of railways. Railway building is, in fact, proceeding so rapidly that in a short time it is reasonable to expect that settlement will be extended to almost every part of the Dominion. Lastly, manufactures are being developed on a very promising scale.

As already said, Canada is rich in natural resources, especially in minerals of all kinds. And in the due course

of events she, therefore, would inevitably become, sooner or later, an important manufacturing country. She has, however, endeavoured, like the United States, to anticipate that development by adopting a protective system. The high duties imposed are not altogether intended to stimulate manufactures. Partly they are imposed to provide the country with a sufficient revenue. But there is no question that they are also imposed in the hope and belief that they will stimulate manufacturing. In this Canada is only doing what has been done by the United States, what is being done by our other Colonies, and what the reader knows is also being done by most advancing countries. When new countries are colonised from communities which have made much progress the incoming settlers are eager to imitate what they left behind. Moreover, they see the lands in which they have settled needing almost everything to turn them to proper use. In other words, all the equipment of civilisation is wanting, and the newcomers desire to provide themselves with it as quickly as may be. As things stand they are unable to raise a great revenue, and, consequently, they impose Customs duties in the hope of providing the revenue, and so greatly accelerating the rate of progress. Even the English people, when they first started upon a commercial career, built up an exceedingly stringent protective system. When the United States became independent it followed the British example. And our Colonies are now doing the same. When the federation of Australia was effected, for example, even New South Wales agreed to give up Free Trade, and all parts of the island continent adopted a protective system.

Canada, therefore, is doing nothing very novel—nothing, indeed, which might not have been predicted had our public men, when the federation of Canada was carried through, been a little less fanatical in their attach-

ment to Free Trade and a little more ready to try to put themselves in the position of others. Over and above all this, we have abundant evidence that a people with the proper character and the proper training may flourish under any kind of fiscal system. We ourselves are highly prosperous with Free Trade. The United States and Germany are making great advances with protective systems. There is no ground, then, for doubting the future of Canada because she has begun with Protection. Canada, to develop her resources, educate her people, and provide herself with a sufficient defensive force, needs a considerable revenue, and she thinks it easier to obtain that revenue by means of Customs duties than by direct taxation. No doubt Customs duties intended to protect have a tendency to divert both capital and labour into industries for which the country is ill-fitted. There seems little danger, however, that such diversion will take place in Canada on a very great scale, for the country has great natural resources. In the prairie States its agricultural capacities are very great. Everywhere it is rich in minerals. Moreover, her public men are quite conscious that Free Trade is better than Protection—that Protection, in a word, is only permissible as a provisional means of forcing a manufacture which otherwise might be long delayed. Sir W. Laurier again and again lays stress upon this matter. He goes out of his way even, in addressing professed Protectionists, to insist upon the superiority of the British system of Free Trade, and he expresses the hope that the time is not far distant when Canada will also be able to adopt Free Trade.

Of course, it must not be left out of sight that Protection builds up great monopolies; that the monopolists, being so immensely interested, strain all their efforts to maintain the system; and that, therefore, what is now regarded by all enlightened public men as a mere temporary

device may come to be looked upon in a few years as a permanent necessity. The danger exists unquestionably. But it is to be recollected, on the other hand, that Protection, by enhancing the cost of living, is arousing public opinion against itself, and, therefore, the probability seems to be that Protection will become discredited in all the leading countries before it has time thoroughly to establish itself in Canada. However that may be, Protection in Canada may be regarded as a disease of childhood, which will soon be got over without serious injury to the patient. For the character of her people is a guarantee that they will build up a great and prosperous community, all the more because they have at their disposal vast natural resources. Furthermore, Canada's geographical position is highly favourable. Stretching across a great continent she has important ports both on the Atlantic and on the Pacific, and, therefore, the opening of the Panama Canal ought to be of considerable benefit to her. It is true, of course, that she is far removed from the Canal, and, consequently, that it will not have the influence upon her trade which it will have upon the more contiguous parts of the great American continent. Still, it cannot fail to be highly useful to her. Whether the trade of the Pacific will grow as rapidly as enthusiasts expect time alone can tell. But everything seems to indicate that the Pacific will before long have an immense trade.

Canada, as has just been pointed out, is growing rapidly. The United States already has an immense trade. Across the ocean there is the Empire of Japan, which has made wonderful strides during the past two generations, and which is destined to hold in the early future an even greater position than she now has. Over and above this, China appears to be waking up. Only the other day the Chinese Regent opened a National Assembly in Peking,

and he promises to call into being within three years a real Parliament. Education is spreading marvellously, likewise, in China. Everywhere, in short, there are evidences that the people at last are waking up out of the long sleep in which they have been sunk. Lastly, Australia and New Zealand are making great progress; while Siberia must not be left out of account. It seems certain, therefore, that trade will grow at a rapid rate in the early future in the Pacific, and that cannot fail to have a most invigorating effect upon Canada. Like the United States, she will be able to share in the trade both of the Atlantic and of the Pacific. She is fully alive to her opportunities, and apparently she is determined to turn those opportunities to the very best account. She has provided herself with a good steamship service between her own ports and the Mother Country, and she is intent upon being equally well served in regard to her communications with Australasia. She is in favour, moreover, of the All-Red Route. In short, she sees that trade will be revolutionised by the opening of the Panama Canal, and she is already preparing to take the fullest advantage of the opportunities that will offer to her. Her climate, now that the country is being so thoroughly opened up, is shown to be far less severe than used to be supposed; and doubtless that climate will improve as cultivation is extended. Moreover, she is rich in coalfields, and those coalfields near to the Pacific coast ought to be of immense advantage to her when the Canal is opened. The United States Pacific coast is wanting in coal. The Eastern United States is well supplied with coal; but the far west of the United States is not; while British Columbia has a valuable coalfield which already, indeed, supplies the Pacific slope of the United States. That ought to ensure a very high place to Canada in the future trade of the Pacific. Moreover, Canada, so far north in the Pacific,

and Australasia, so far south, both being British, will be mutually helpful.

The main resources of Canada for the present and for some years to come will consist of her agricultural capacities and her mineral wealth. As the prosperity of the United States increases there is a very prevalent opinion that the surplus wheat that country is now able to export will grow less and less. Whether that expectation will be fulfilled depends, of course, upon whether American farmers adopt intensive cultivation. If they do, there is no reason why the production of wheat should not for long years to come keep pace with the consumption. If they do not, consumption will gain rapidly upon production, and then Canada will be able to take a more commanding position than she occupies at present amongst the wheat-growing countries of the world. In any case, the fertility of the prairie States ensures to Canada a high position as a wheat grower. Apart from that, whether her share of the wheat trade increases very rapidly or not, Canada is sure to take an honourable place among the nations if she continues to give her best attention to secure for all her people a sound system of education, and if she continues to develop her resources.

Canada is of immense extent. It is, indeed, a trifle larger than the whole of Europe. Of course, it is to be recollected that very much of its surface is covered with water, it being a land of exceptionally great lakes. A still greater part is practically useless because of the climate. No doubt the climate will be somewhat modified for the better as settlement proceeds and cultivation is extended ; but a large part of the soil of the Dominion must apparently remain of little use to man. The point, however, that it is desired to make here is that on the northward the width of Canada is very great, and that, consequently, Canada has it in her power to contribute very largely to meteorological

logical knowledge. Canada is, of course, paying attention to the matter ; but it would be well worth her while to do very much more, and to endeavour to induce other Powers to co-operate, directly and immediately, to a much greater extent than they yet have done. Canada and the United States, for example, own the whole of the extremely cold part of North America ; Russia owns the whole of the extremely cold part of Asia. Moreover, Russia owns a very considerable part also of the extremely cold part of Europe, the remainder being owned by Norway and Sweden. Thus five Powers have in their possession the whole of the Arctic region. Is it not worth their while to establish a common system of observation and to interchange their observations, not only with one another, but with all the other great nations ?

The United States has long been distinguished for the pains it has taken to promote meteorological observation and study. Happily, the example of the United States is being widely followed. For all that, our own country seems to be the one which should invite an international meteorological conference for the purpose of considering how best meteorological knowledge can be advanced, and what changes should be made in the present arrangements of the different countries. Our own Government is selected because the British Empire is so widely scattered over the earth. As has just been pointed out, Canada and the United States own the whole of Arctic America, Canada owning far the larger part. India has a great meteorological system, and, as has been pointed out in the inquiry into the condition and prospects of that country, its geographical position and the nature of the region immediately north of it present important and peculiar meteorological problems. There are, in addition to those two great members of the British Empire, Australasia, South Africa, and various small British

possessions scattered all over the globe. The British Empire, then, is able to contribute very largely and fruitfully to the study, and has, as has been seen, the greatest possible interest in promoting it. Therefore, it would seem to be the one most called upon to invite the co-operation of all other Governments. There is, perhaps, no study of more importance to the welfare of man. For that reason it is eminently deserving of Governmental attention. In spite of the fertility of a large part of Canada, the nature of her climate, especially of the more northerly portion, makes it imperative for her to promote in every way possible meteorological observation and research. Consequently, it seems highly desirable that she should try to obtain the co-operation of other countries in the attempt to solve problems out of her own reach

CHAPTER XLI

SOUTH AFRICA

IN treating of Rhodesia the future of the South African Union was discussed at some length, and therefore it is unnecessary to deal here with the topics there considered. Still, the Union is too important from every point of view to be passed over without further comment. South Africa is very favourably circumstanced from many points of view. Its geographical position is very advantageous for international trade. Before the cutting of the Suez Canal it was on the main route from Europe to the Far East, and if, owing to any accident, the Suez Canal were blocked it would again become of the first importance. In all circumstances Cape Town will be of high strategic value owing to the position it occupies and the martial and enterprising community that stands behind it. Apart altogether from strategy, however, the geographical position of South Africa is very advantageous, and it must inevitably become more so. If the trade of the Pacific develops, as everything seems to indicate that it will, South Africa is so placed as to benefit immensely from the development. Furthermore, if China really is awakening, and is about to start upon a new career of progress and prosperity, that must have a very beneficial effect upon South Africa. More important still, the resources of South Africa are great. Her mineral wealth, for example, is extraordinary, and is likely to continue of immense importance for many a long year. It is, of

course, true that in the final result the prosperity of every community depends upon its agriculture, and at the present time South Africa is not agriculturally very fertile. It remains to be seen whether skill and enterprise will alter that.

Everybody who has given attention to national development is aware how countries deemed to be naturally poor have been raised to a very high position in the world. It may possibly turn out, then, now that political strife is ended, and the two white races are free to devote their attention to the improvement of their country in every possible way, they will find means of increasing in a manner now little dreamt of the agricultural fertility of the country. It is true that the country is subject to droughts, but those can be guarded against by works of irrigation. The health of the country, moreover, can likewise be improved by the requisite sanitary precautions. The great drawback is the composition of the population. All power and all wealth are accumulated in the hands of a small white aristocracy, under which is a vast swarm of natives in a very low stage of civilisation. If the war with the Transvaal had been postponed for twenty years, or, better still, had been rendered unnecessary altogether, and if the example set by Cape Colony had been followed by the other British Colonies, it is possible that the world would have had an opportunity to watch one of the most interesting experiments ever made.

Cape Colony, it will be recollected, had given the suffrage to coloured people—on certain conditions, it is true, but still it had yielded the principle that if the coloured people acquired education they would be admitted to a share in the government of the country. It was a principle of far-reaching importance, and had it been accepted generally throughout South Africa it would have entitled people to hope that the experiment would prove successful.

Unfortunately it was not accepted. And still more unfortunately Mr. Chamberlain, who was Colonial Secretary when the quarrel with the Transvaal ended in war, came to a decision the far-reaching effects of which time is beginning gradually to unfold. Mr. Chamberlain was powerful enough to carry with him the Cabinet of which he was a member, and, strange to say, his policy was approved likewise by even the most Radical members amongst the leaders of the Liberal party. The decision was that the war with the two little Boer republics was to be fought out by white men only. No coloured man of any kind was to take part in it—even Indian soldiers of the Crown were to be excluded. Many people will probably think that Mr. Chamberlain's decision could be successfully justified if it excluded only South African natives. It might have been said, for example, that the bitterness felt by the natives against the Boers was so great that if the natives were employed they might get out of hand, and commit atrocious outrages. Whether the danger was as great as alleged there is no need now to stop to inquire. It is enough to say that it is perfectly certain that a Sikh division, if it had been employed, would not have got out of hand and would not have committed atrocious outrages. However, the decision was taken, and was approved by the leaders of both great parties. That was the first grave mistake. The second was that at the Peace Conference at Vereeniging it was agreed that no change was to be made in the suffrage in favour of natives except by the South African Parliament. Thus the British Parliament handed over to the small white settlement in South Africa the regulation of all the future of the natives. It is possible, of course, that the South African whites may prove to be very much better statesmen than the world believes them to be—that, in short, they may recognise the justice and wisdom of the policy which was adopted by Cape Colony,

and may decide to give the suffrage to coloured men who satisfy, let us say, an educational test. If that is done, and if measures are taken in the sincere desire to provide for the natives facilities for acquiring education, then the whites will have done everything that can reasonably be expected of them, and an experiment will be begun of the very highest interest.

Supposing that a good system of education is established, that the coloured people are admitted to it, whether in separate schools or in mixed schools, and that all reasonable efforts are made to develop the resources of the country and increase its well-being, then there will, of course, be a period of trial and difficulty. But the new Union will emerge from all its difficulties, and it will ultimately attain a high degree both of prosperity and of intelligence. On the other hand, if the small white oligarchy acts as oligarchies always have acted in the past history of the world—if, in short, it is so profoundly afraid of the immense multitude of coloured people which are under its feet that it does not dare to give them facilities for education, and, therefore, for making themselves really dangerous—the outlook is dark indeed. There will be, of course, a certain development of wealth. But it will be a moderate development. The whites will always have to keep on their guard lest there should be a sudden and unexpected outburst of native disaffection. On the other hand, the natives, sunk in ignorance, will continue to be inefficient workers, and therefore the economic progress of the country will be slow.

It is an interesting question how far the internal policy of the new Union will be affected by the course of international politics. The Portuguese possessions and the Congo State are very weak, and, therefore, can have little or no influence upon South African development, unless, of course, South Africa should become very jingo and

should thirst for territorial expansion. Furthermore, the Cape to Cairo Railway, when completed, will not only help to develop trade with Central and Northern Africa, but will open up a route of communication between South Africa and Egypt. Whether the Cape to Cairo Railway will ever develop a great transcontinental trade may well be doubted, but it will, it may reasonably be expected, develop local trade very considerably, and ultimately the local trade may become much larger than is now anywhere anticipated. Still, whether trade between North and South Africa is or is not much stimulated by the railway, it will inevitably play an important part in the development of the continent. Again, it is doubtful whether the railway will be much used by persons travelling between Europe and South Africa, considering the heat for the greater part of the journey. Nevertheless, the railway cannot fail to influence the course of affairs throughout the whole continent. In any event the geographical position of South Africa, the comparative weakness of its neighbours, and the construction of the Cape to Cairo Railway are all highly favourable to South Africa, and so far as they go ought to tend to turn the attention of the South African people more and more to the development of the natural resources of their country. On the other hand, the Germans are near neighbours, and if the relations between the British Empire and Germany were to become bad, the German possessions might come to be regarded as a danger to South Africa. Every reader conversant with the history either of the United States or of Canada will remember how the French possessions on the St. Lawrence, the Ohio, and the Mississippi influenced feeling in the original Thirteen Colonies, and how the British conquest of Canada prepared the way for the War of Independence. Will the presence of the Germans in South Africa exercise an influence anything at all like that

exerted by the presence of the French in Canada and along the Mississippi? Furthermore, it is an interesting speculation as to whether the near neighbourhood of the Germans will induce the South African whites to be more liberal in their concessions to the coloured people, or whether it will make them even more suspicious of the coloured people. It is to be borne in mind that even in the darkest days of the Civil War between the Northern and Southern States of the great American Republic the Southern whites never once proposed to emancipate the blacks, or even to enrol any considerable number of them in the army.

There is another point to be taken fully into consideration. The strategic value of South Africa is great. Supposing that for any reason the Suez Canal was closed against British shipping, our sea route to India would be round the Cape. So, also, would be the sea route to Australasia, unless we could more safely and more profitably make use of the Panama Canal. Over and above this the position of South Africa, between India on the one hand and South America on the other, is a commanding one. How would the knowledge that in case of a great world-wide war South Africa would occupy so valuable a strategic position affect the internal policy of that country? Would it induce the whites to adopt towards the coloured people an enlightened policy intended to make them more efficient economically and morally? Or would it deepen their sense of the danger to which they themselves would be exposed if the vast multitude of coloured people were increased in efficiency and were to become hostile? These are only a few of the questions that might be put respecting the development of affairs in South Africa. They show that the future is not as bright as every Briton would wish to find it—that it requires high statesmanship and great foresight to guide the country

safely through its difficulties to a more assured and happier destiny.

The best thinkers have from the first recognised not only the political dangers to which South Africa is exposed if the natives are to be kept in a quasi-servile condition, but they have also fully realised that the environment of a small white oligarchy ruling despotically over a vast multitude of ignorant natives in a very low stage of civilisation must have the worst possible influence upon the whites, must prevent the growth of a high stage of civilisation, and must even stand in the way of great material prosperity. Every one who pays attention to such matters knows that Cecil Rhodes was in favour of a gradual instruction of the natives, and their admission to political power as they became civilised. Many other eminent South Africans have shared his view, and Lord Selborne, just before leaving the colony for home, gave a pretty full and exceedingly interesting explanation of his own views upon the matter. Like all thoughtful men he is decidedly in favour of admitting the natives to the suffrage. He agrees that the whites must be the rulers of South Africa. Indeed, no one whose opinion would be worth quoting would dispute that. The natives are in so low a stage of civilisation that demonstrably they are unfit for self-government. The hope for them is that if the white people recognise the statesmanship of admitting them to the suffrage they may establish such a system of education and such a land system also as will gradually raise the people in the scale of civilisation and fit them to take part in the management of their own affairs. For our time, therefore, with which alone the people of the present generation need concern themselves, it is plain that the whites must be the governing power. They must be, if only to help the coloured people to rise. That being granted, the question remains, How can the coloured people

be safely admitted to the vote? It is often argued that if they get the vote sooner or later they will be a majority of the constituencies, and that then the progress made by the Union may be stopped by the ignorance and incapacity of the coloured people. Surely, however, it must be taken for granted that if the governing whites are wise enough to recognise with Mr. Cecil Rhodes and Lord Selborne that, even for their own sakes, they must emancipate the coloured people, they will admit to the suffrage only those who possess a certain modicum of education. That clearly will admit only a small number of coloured people to the vote for a considerable time to come. But if the whites are statesmanlike enough to give the vote to educated coloured people they will also be statesmanlike enough to establish a great system of national education. If they do they will probably guard against being flooded by the coloured voters by raising the standard required for voting. Thus for a long time the whites will continue to be the majority of the voters. Possibly along with the education test they may introduce also a property test. But, however the thing is managed, it may safely be assumed that the vote will not be given to a large number of coloured people until the coloured people have become civilised, are efficient workers, and recognise that prosperity depends upon obedience to the law and observance of the sanctity of life, property, marriage, and other fundamental institutions.

The federation of South Africa will greatly stimulate the material improvement of the Union. One Government will take the place of several Governments which heretofore did not always see eye to eye. Therefore a more continuous policy can be pursued, and a decision once taken can be followed up. It is reasonable to expect that railway building will be pushed forward more rapidly than in the past, and as the country is very rich in natural

resources the growth of wealth ought to be rapid. At the same time it is to be recollected that, however valuable the goldfields of South Africa are, they will in time be worked out. And even if they continue producing for a century or more they will become, relatively to the whole Union, much less valuable than they are at present. If South Africa is to take a very high place economically it must become a great agricultural as well as a great manufacturing country. Manufacturing may be left out of account for the present—firstly, because the white population is too scanty, and, secondly, because there are many other things to be done before a really great manufacture can grow up. But it is different with agriculture. It ought to be attended to without a moment's delay. The soil is not exceptionally fertile, and the whole country is liable to droughts. Owing to the conformation of the country it does not seem that irrigation can be applied very easily. Of course irrigation is possible under almost all circumstances, but where the land is so high above the sea as it is in various parts of South Africa irrigation promises to be costly. Nevertheless, droughts require to be put a stop to if the country is to become really prosperous.

The new Government, then, ought to direct its very early attention to the question of how best to prevent droughts. It ought to institute an excellent system of meteorological observation and research, and it ought to study very deeply in what manner irrigation can best be undertaken without delay. Meteorological observation is being pursued all over the world, but probably it will have to be continued for a very long time before it yields really valuable results. For experience up to the present seems to prove convincingly that observations will have to be taken on a far more elaborate scale than at present all the world over before a great generalisation can be arrived

at. And even when enough of material has been collected it is by no means certain that a philosopher will immediately arise capable of analysing and co-ordinating them all and from them drawing the grand law which will teach how drought in the future can be prevented. It is possible, therefore, that however meteorological observation is pushed forward it may be a long time before correct deductions are drawn. In the meantime those countries which suffer severely from drought should not be discouraged by temporary failure—rather they should apply themselves all the more diligently to observation and research. Even now South Africa exchanges information with India, and the new Government will be in a position to conduct the observations more efficiently, and therefore to collect information for itself and to help India more adequately. But while laying stress on the desirability of perfecting as far as possible the system of meteorological observation and research, it, of course, is not meant that the new Union Government should sit with hands folded waiting helplessly for meteorological instruction to devise a scientific plan of irrigation. It may be that nothing really efficacious can be done for the whole Union. But partial irrigation can be effected, and partial irrigation ought not to be neglected because it is hoped that observation and research in time will lead to the devising of a general and far more perfect policy.

The economic policy of the South African Government will manifestly be largely determined by its native policy. All students of the United States must have noticed that since the Civil War—that is to say since the influence of the slaveowner was destroyed—the economic activity of the Federal Government has been steadily increasing year after year. The slaveowners were mainly Democrats, and the Democratic party has always been against high protective duties. On the other hand, the Republicans,

who abolished slavery, have been in favour of high protective duties, and have succeeded in maintaining them. Furthermore, the Democrats have been always in favour of State rights, while the Republicans have leaned more or less towards a strong Central Government. Finally, the Republicans have for the most part been the governing party since the Civil War, and they have given more and more attention to the means of helping the people to increase their prosperity. The American Government not only has long been famous for its reports on all sorts of economic subjects, it also has been famous for establishing meteorological stations, employing its military engineers for the purpose. Furthermore, it is giving the closest attention to all branches of agriculture, helping agriculturists to improve their methods, seeking out the best seeds, inculcating the best methods of fattening, and so on.

It will probably be found that if the South African Government adopts a suspicious attitude towards the natives it will likewise be opposed to much Government intervention in business, and be strongly in favour of individual effort. The reason is obvious. The whites as a body will be fairly well off and very much better educated than the coloured people. They will have opportunities to rise in the world, and, above all, they will consider themselves an aristocracy; therefore they will prefer individualism as the more likely to keep them at the top. On the other hand, if the South African Government is really statesmanlike, and recognises that sooner or later the native must be admitted to the vote, it will come to the conclusion that it ought to begin to prepare the native for the privileges intended for him. In that case it will establish schools for the natives, and it will endeavour in every way that suggests itself to it to improve their condition. Thus the Government will be forced to meddle in all sorts of matters. It will see that whether it be or

be not right in theory individualism is not for it—that it must endeavour to raise the bulk of its people in civilisation and in prosperity. From that it will proceed to recognise that it can do a great work, and it will deliberately set itself to civilise the coloured population and to promote the prosperity of the country in every way it can. It follows that the native policy of the new federation will largely determine the future of the federation. It will either make the South African Union more or less like what the Southern States of the American Union were in the days of slavery—or perhaps it would be more correct to say will make them very much what the Southern States are to-day—or else it will enter upon a great ennobling experiment in civilising a coloured people in a very low stage of civilisation, and fitting them for the discharge of the duties of free and intelligent citizens of a great democratic State.

CHAPTER XLII

AUSTRALIA

AUSTRALIA, though it has very grave problems to solve, yet has great natural resources, and, owing to the character of the people, seems destined to a bright future. Its greatest drawbacks are liability to frequent droughts and the smallness of the population. The people have the innate British inclination to believe that whatever happens they will pull through successfully. Therefore, in the past they have rather discouraged than encouraged immigration. Moreover, owing to the diminutive population, the division of the country into a number of self-governing colonies, and the small revenues, little has been done to guard against the devastating droughts. Probably the people would not have awakened so soon to a due sense of the insecurity of their position were it not for the fierce competition amongst the Great Powers in military and naval armaments; and perhaps, above all, were it not for the rise of Japan. A comparatively short time ago the British Navy was so unquestionably supreme upon the ocean that Australians believed they need care nothing about foreign politics, and therefore need not trouble themselves about increasing their population. Now they have changed completely, and all the indications point to very much greater activity in future in improving the condition of the people and attracting immigrants. The federation of Australia has substituted one Government for six separate Governments which

did not always see eye to eye; therefore has made it much more easy to open up the whole island continent by means of railways, and to attract immigrants. A very large part of the island continent is not even explored, consequently it is not known whether that part is or is not fit for white settlement. But recent exploration seems to show that the interior of the continent is not such a desert waste as it has often been described to be, and that there are at least large tracts which are quite fit for white settlement.

The policy of the Labour Government is encouraging. It sees that if Australia is to be what all Australians are determined it shall be, a white man's land, it must succeed in attracting immigrants. Otherwise it is inconceivable that the countries which need outlets for a population growing too rapidly for their existing economic condition will quietly submit to their exclusion by Australia from vast tracts which the Australians cannot themselves settle. The new policy, therefore, is for the encouragement of immigration, and it is a wise policy. It will succeed gradually. But its ultimate complete success will depend upon the irrigation policy the Government may adopt. In at least one respect the policy of Australia is wise and far-seeing. The people recognise fully the value of education and are encouraging it. Of course, there are great difficulties in establishing a really good system. To mention only one: because of the immense extent of the country and the sparsity of population it is obviously difficult to build schools near enough to the children to be taught; and it is also very difficult to find qualified teachers. The difficulty has to be faced by all new countries. And it can be overcome only gradually. But it always is overcome where the full value of education is thoroughly appreciated, and where the people are willing to submit

to the requisite sacrifices. The Federal Government will by and by, no doubt, apply itself in earnest to the training of teachers, and as immigration increases and population grows the difficulties will become less and less and a satisfactory solution will be found.

Unlike the United States and Canada, the several Australian colonies have decided to build their own railways. They have done a great deal in opening up the country, and the new Federal Government has vast schemes for building transcontinental lines which will still further make accessible territories now completely unapproachable and thereby tend to attract settlers. The railways constructed so far have, as said already, been built by the several States, and the money has been raised in this country. The State Governments have often been severely criticised for their policy. But it may well be doubted whether the policy is either more expensive or less satisfactory than that adopted in the United States and Canada. Putting aside the charges of lobbying, corruption, and so on, it is unquestionable that building of railways by the employment of trading companies has caused a great waste of natural resources. Therefore, it has been excessively costly, and it has involved cost in a shape that will continue to be felt by countless generations. On the other hand, the Government has good credit which enables it to raise money with comparative ease. But one thing is quite clear, that building by the States has not required the States to give away vast tracts of land to induce private enterprise to engage in the work. In the United States and also in Canada, where railways have been built by private enterprise, the Governments, both federal and local, have assisted the companies in various ways, very often by making vast grants of land. Nothing of the kind has had to be done in Australia. Consequently, there has been, on

account of railway building, no waste of natural resources. That there may have been waste of capital is not, of course, to be disputed. Wherever a difficult work has to be done in a completely new country there usually is waste. But the fact remains that the railways of Australia are Government property—in other words, that they belong to the population of Australia—and, therefore, that they have not only helped to open up the country, but that they will be a source of profit in the future. The Australian Governments have, likewise, laid out much money in building ports and in other public works, always by means of borrowed money. On this point also they have been criticised. Nevertheless, it is a question whether the policy has not been at least as economic as construction by private enterprise. For it is to be remembered that up to the present the future of Australia has not been so indisputable that private enterprise could raise capital for doubtful public works on very favourable terms.

The Governments of the Colonies which built the existing railways had good credit, because they were the Governments of British communities subject to British law and swayed by British opinion. Therefore, they were able to borrow in London on exceedingly favourable terms. Nobody conversant with the London Money Market will dispute that the Governments of British Colonies can borrow more cheaply and on a larger scale in London than the Governments of communities not British. It follows that, in this respect at all events, the Australian colonies had an advantage which private companies would not have had if the latter had undertaken to build the railways. Turning now to the private companies, it is not to be forgotten, as said above, that Australia even now is very sparsely populated, that it is liable every few years to desolating droughts, and that popular

feeling was until a few years ago hostile to a large immigration. Therefore, it was by no means certain that the railways when built would for a considerable number of years earn enough, not only to cover all their expenses, but to leave a profit that would remunerate those who provided the money to construct them. Therefore, it seems to follow that it was better policy in the past for the Governments to build the railways required than to employ trading companies to do so, and that it will be better policy, likewise, to follow the same course in the future.

The Australian public, having come fully to recognise that it cannot expect to be allowed to shut out whole races from territories it is itself unable to settle, plainly understands that it must without avoidable delay undertake the settling of those territories. To do that it realises fully that it must open up the whole island continent by means of railways, and in particular that it must construct great transcontinental lines. Even if the federal authorities would like to put off the task as too costly in the immediate future—and there is no reason for supposing that they do so—they cannot avoid the enterprise, for the several States which have federated are intent upon the construction of these great railways, and, therefore, the task must be accomplished. Looking at all the facts as they stand at the present moment, it seems plain that it would be very difficult for a trading company to construct those railways. No company would undertake the enterprise if it were not secured against loss, and, therefore, it would insist either upon a Government guarantee or upon great land grants. That being so, it is apparent that sound policy recommends that the lines should be built by the Federal Government, which has credit enough to raise the money. If the interior of Australia is fit for white settlement, the construction of the lines will attract

settlers. All experience in the United States and Canada, for example, shows that settlement follows railways. Therefore, the Commonwealth Government will not run any serious risk. Settlement will bring with it traffic, and traffic after a while will yield a sufficient revenue to pay the interest upon the debt incurred. On the other hand, if the interior of Australia is not fit for white settlement it is perfectly plain that irrigation upon a great scale must be undertaken. To carry out irrigation on a great scale railways are required, and, therefore, we are brought back to the point from which we started, that railways are indispensable and that they ought to be built by the Commonwealth.

Postponing the question of irrigation for a moment, it is to be observed that the settlement and cultivation of Australia would be immensely expedited if the people were willing to admit coloured labourers. The sugar industry in Queensland was founded and carried to prosperity by the employment of indentured coloured labourers, and at one time it seemed probable that the extremely hot parts—that is the northern portion—would be largely populated by coloured people. Opinion, however, has now entirely declared against that, and it is decided to get rid of the labourers on the sugar estates. It must, of course, in reason, be recognised that there are strong and real objections to the admission of a coloured population in a low stage of civilisation. It would mean, as so often has been acknowledged in the course of this inquiry, the formation of a society in which the whites would form an oligarchy that would rule more or less despotically over the coloured labourers. What that carries with it need not be repeated. It is enough to say that Australians are fully justified in determining that their country must be kept free from such a state of things. But the decision goes very much farther. It is that

coloured people of all races and all stages of civilisation are to be excluded. The decision, in fact, excludes our own fellow-subjects in India and our own allies in Japan. For the present Japan is so busily engaged in Japanising Korea and in colonising Hokkaido, that she does not really need a new outlet for her surplus population. But a time will come by and by when Japan will regard as an insult the exclusion of her people from a British territory. Will the Anglo-Japanese Alliance, then, be able to continue if this policy is maintained? Nay, more, is it not possible that Japanese feeling may become anti-British if the Japanese are branded as such undesirable settlers that they must be excluded altogether from British territory? Furthermore, everybody knows that there is strong feeling in India because of the exclusion of Indians from the self-governing portions of the British Empire. As it happens, at present the chief feeling is against exclusion from South Africa, because Africa has been a land of settlement for Indians from time immemorial, and because, owing to the gold mines and the need for coolies, there had grown up a very considerable Indian settlement. But it is only too probable that the feeling which undoubtedly exists in regard to South Africa will extend likewise to Australia, and then a state of things that may seriously trouble the Indian Government may be brought about. If the Indian people come to regard it as an insult as well as a grievance that they are excluded from British territory on the ground that they are undesirable settlers, how will the peace of India be maintained?

In connection with this question the reader may be reminded that in the very first session of the reformed Viceregal Council the native elected members declared so strongly against the conduct of South Africa in this respect that the Government was compelled to promise that it would not permit further Indian indentured labour

to go to South Africa unless India was treated better in future. Before the Viceregal Council met again the promise given to it by the Government was fulfilled, inasmuch as further indentured labour for Natal was publicly and officially prohibited. Is it not reasonably certain that as the elected members learn more fully their privileges and opportunities they will press the Government still more strongly in regard to Australia as well as to South Africa, and, if they do, is it not possible that strained relations may be created between those portions of the British Empire? Furthermore, it may be pointed out that in the Northern Territory of Australia there is at present practically no population; that it is extremely hot; that it is doubtful whether white people can live and work there; and that, consequently, it seems admirably suited for a large Indian settlement. It is difficult to see why an Indian settlement of the kind should be so extremely objectionable. An Indian settlement in New South Wales or Victoria might be objected to on intelligible grounds, but a settlement in a tropical region where there are exceedingly few whites, and very probably always will be very few whites, seems no more rationally objectionable to a white Australia than the existence of Indians anywhere else within the British Empire. However, the facts are as just stated, and to understand the condition of the Empire and its future prospects it is necessary to bear clearly in mind that the policy of Australia, as well as of South Africa, is sowing the seeds of future trouble. It may be added that to throw open the Northern Territory to Indian settlers carefully selected would be an immense boon to India, for it would lessen the keen competition amongst Indians for a livelihood, and, therefore, would tend to raise wages. Moreover, it would be an immense relief to the whole Empire, for obviously it would tend to allay the unrest in India, while, at the same time, it would

solve the serious Australian problem, namely, the peopling of the Northern Territory. As already has been pointed out, it is doubtful whether whites ever can properly cultivate the Northern Territory. It is certain that a picked Indian settlement would be able to do so. Apart from the urgent need of attracting immigrants, it has been pointed out above that the special problems before Australia are the construction of transcontinental railways which will bring all parts of the great island continent into quick and easy communication, and the carrying out of a great system of irrigation to fit the desert portions for human habitation. The construction of the necessary railways, it has already been admitted, will cost a great deal of money, and, therefore, will add largely to the debt of the Commonwealth. But if Australia is to be settled as soon as is desirable it is absolutely necessary that the railways should be built. Even if there were good grounds for believing that Australia will enjoy a long period of immunity from war the need for a great expenditure on railway construction is obvious. The interior of the island continent has not been explored, and, therefore, nobody can speak with confidence respecting its state. But it is believed that a large part of it is desert. Possibly the western half of Australia is less desert than the eastern, for an explorer some little time ago reported that, traveling from Perth towards the Northern territory, he had found immense tracts quite fitted for white habitation. On the other hand, it is known that the more inland part even of New South Wales is rainless for years together, and it is believed that all through the interior of the eastern half of the continent there is much absolutely waste land. In any event, the belief is that much of the country is uninhabitable until it is supplied artificially with water. Therefore, exploration on a great scale is urgently needed. But in any case there must be railway communication

if federation is to be a success. Obviously it is out of the question that the Federal Government should have to depend upon sea routes for its communications with the extreme west. Therefore, to render settlement possible, to promote trade between the different States, and to make every part of the continent accessible to the Government and to traders, it is essential that railways should be built. As already said, to build them will be costly. But as population grows and settlement extends the charge due to that cost will be very easily borne. Ultimately the debt incurred for their construction will hardly be felt, while the profits ought to be very large. There seems no question, then, that in accordance with popular feeling railway construction must be undertaken without avoidable delay, and that it must be pushed forward in every direction.

It may safely be said, then, that if the Commonwealth Government does not attempt to do too much all at once it will find no grave difficulty in raising the money necessary for the construction of railways that will make every part of the country accessible to every other part. The question whether it can also raise simultaneously sufficient money to begin a great scheme of irrigation is much more doubtful. There is, of course, no dispute that irrigation is indispensable. But the population of Australia is yet small. It is settled only upon the outer rim. Indeed, even the outer rim is not settled, as, for example, is shown by the condition of the Northern Territory. A very small population scattered over only a portion of the outer rim of a great continent cannot wisely undertake two such operations at the same time as the building of transcontinental railways, opening up practically every portion of the territory, and supplying the rainless districts with water under all conditions. The cost clearly would be too great. Respecting the mere physical task of supplying Australia

with sufficient water it is, it seems safe to say, practicable. Engineering science has advanced so much that, given money enough and labour enough, all difficulties could be overcome. But, as just pointed out, the population of four millions or thereabouts can hardly undertake immediately works of irrigation to supply with water a continent nearly as large as Europe outside of Russia. It is to be feared, then, that a comprehensive continental scheme of irrigation must be postponed until population has grown considerably, the area under cultivation has been largely extended, and much more wealth than now exists has been accumulated. In the meantime, the really wise thing would seem to be for the Commonwealth Government to appoint a very strong commission to inquire into the whole question, and try to ascertain what the cost would be.

Assuming that the cost is not too great, that the country is opened up by means of railways, and that gradually, as population increases and pushes farther and farther into the interior, irrigation works are constructed which will save the population from periods of drought that would practically mean starvation, then the prospects of the island continent are most brilliant. It is so far away from Europe that while the British Empire exists there is no serious danger of European invasion on a great scale. For very many years Japan will be engaged in developing the empire she acquired so recently. It will be long before China is reformed in such a manner that she will be able to become an aggressor in war. Therefore, Australia has before her a long period for preparation, and if she uses it wisely she ought to become in the future a great and prosperous Commonwealth. In the past Australia, more or less in every part, but more particularly in New South Wales and portions of Victoria and Queensland, depended largely for its prosperity upon sheep farming. Therefore,

the interests of the great flock-masters received the most careful attention. Now the interests of the great flock-masters are becoming secondary, and the desire everywhere is to split up the great sheep runs and to settle upon them an industrious working proprietary. The policy is highly to be commended, provided justice is done to the great flock-masters, and provided, further, that as soon as it safely can be undertaken a great scheme of irrigation is carried out. For, unfortunately, Australia is so liable to droughts that a peasant proprietary would be sorely tried unless the irrigation problem is satisfactorily solved. In all forward countries the tendency, unfortunately, is at present for populations to drift away from the rural districts and to congregate in cities. This tendency is observable not only in old European countries, but in the very newest countries. Nobody who has travelled widely through the United States can have failed to be struck by the apparently deserted condition of the rural districts and the immense size of the great cities. The same thing is found in our Colonies. The total area of Australia is a little less than the extent of Europe outside the Russian Empire. Yet the total population of Australia was ten years ago only $3\frac{3}{4}$ millions, against $282\frac{1}{4}$ millions of Europe outside the Russian Empire, and against $294\frac{1}{2}$ millions of India, which does not very greatly exceed Australia in size. The figures will explain the reasons why the Western Australian Premier stated not long ago that Australia must either settle her unoccupied territories or she will be deprived of them. Again, the State of New South Wales contains 310,367 square miles. Its total population at the end of December 1908 was estimated at 1,605,009, or rather more than five persons to the square mile. But the population of Sydney alone was 592,100. Therefore, the capital of the State contained 36.9 per cent. of the total population of the State. Is it

necessary to quote further figures to show how far the evil has gone of congested town life and deserted rural districts ?

If a wise and just land law is enacted, and it succeeds in attracting not only immigrants from the Mother Country, but also the surplus population from the Australian towns, an immense benefit will be conferred upon the Commonwealth. Every town resident who is now liable to unemployment every now and then, and who is attracted from the towns to settle and work upon the land, will acquire independence ; will, therefore, acquire a greater purchasing power than before, and, consequently, will enable the production of Australia to be consumed at home to be augmented. Furthermore, the increase of labour in the landed districts will give a new stimulus to agricultural production, which will supply the towns with more plentiful and cheaper food, and, therefore, in turn will give a further impetus to trade of every kind. Over and above this, the more the production of Australia is stimulated the more surplus it will have to export. Consequently, Australian exports will benefit the older countries, and especially the Mother Country, firstly, by supplying her more abundantly and more cheaply with Australian products, and, secondly, by enabling Australia to buy more freely from the Mother Country. Thus a really good Land Act, resulting in a large increase of the agricultural population, will be beneficial not only to Australia, but likewise to the Mother Country and to the whole Empire. It may be objected that if the great sheep runs are cut up and closer settlement is successfully carried out the new proprietors will for the most part be holders of small farms ; that, therefore, they will probably devote a considerable part of their holdings to tillage ; and that, consequently, the production of wool, for which Australia is famous, and more particularly New South Wales, will be diminished. That, if it happens, will take a long time.

As has just been shown, the State of New South Wales alone comprises 310,367 square miles. It will obviously take a very long time before the State is so settled that there will not be room for a great production of wool. Furthermore, it is to be borne in mind that the new settlers will naturally pursue the cultivation which is most profitable. If they find that sheep farming pays better than tillage, then we may safely conclude that sheep farming will continue. On the other hand, if tillage proves the more profitable, then it is desirable in the interest of the Commonwealth that the more profitable cultivation should be adopted. Over and above this, it is not to be forgotten that only a comparatively small part of even the State of New South Wales is now regularly cultivated. The Western district—in other words, practically the western half of the State—is subject to almost perpetual drought. If irrigation can be carried out successfully the western portion of the State will be fitted to carry immensely greater flocks of sheep than it does now, and whatever falling-off there may be in the eastern half will be more than compensated for by the increase in the western half. Lastly, much of the interior of the island continent is practically desert. If irrigation can be carried out successfully the desert will be brought under cultivation, and many generations, possibly even centuries, will pass before sheep farming on a great scale comes to an end. On the other hand, if irrigation cannot be carried out successfully, then the settlement of Australia by white farmers on, say, a hundred or two hundred acres will become impossible. The whole policy depends upon the success of irrigation, and with the success of irrigation the amount of land that can be cultivated and can feed sheep, taking Australia altogether, will be so great that there will be little danger of the extinction of sheep farming.

CHAPTER XLIII

THE EMPIRE

To arrive at clearness of view it seems desirable to point out that though we call the various territories which owe allegiance to King George an Empire, the word is a complete misnomer. As, however, no fitting substitute has been suggested—as, indeed, it is difficult to find a title that would adequately convey the intended meaning—the term Empire must for the present continue to be used. For all that, the territories ruled over by King George do not constitute an Empire in any sense in which the word has ever hitherto been employed. For example, the Dominions, Commonwealths, and Unions beyond sea are not only self-governing, but they have, in addition, most of the attributes of full Sovereign States. For instance, Canada objected to the continuance of the commercial treaties with Germany and Belgium on the ground, first, that her consent had never been invited to those treaties; and, secondly, that they interfered with her right of taxation, a right inherent in every self-governing community. The objection of Canada was recognised by the Home Government as just, and accordingly, the two treaties were denounced. A war of tariffs, it will be recollected, ensued between Germany and Canada, with the result that Germany had to give in and make the best terms she could with Canada. Canada, that is to say, negotiated commercial treaties with Germany as she had done previously with France

and the United States, thus successfully asserting the right to negotiate with foreign independent Sovereign States. The right acquired by Canada is acquired for all the self-governing portions of the Empire, clearly proving that the Empire is not an Empire in any acceptation of the term hitherto recognised; and, therefore, that those communities have not only the right of managing their own special affairs, but that they have the right to enter into treaties with independent foreign States. Over and above this, those communities have conducted negotiations with other portions of the Empire. Furthermore, they have undertaken to provide for their own defence. Canada, Australia, and New Zealand have already raised military and naval forces. South Africa, as a matter of course, will do the same. This, however, is not all, for Canada distinctly refuses to place either her military or her naval forces under the command of the Government of the United Kingdom, thereby asserting her right to one of the most distinctive prerogatives of an independent Sovereign State. From all this it is clear that the Dominions, Commonwealths, and Unions beyond sea, while they own allegiance to the Sovereign of the United Kingdom, do not acknowledge any right in the British Government to interfere not only in their domestic affairs, but even in their preparations for war. The tie between the Mother Country and the Daughter Countries is thus brought down to an acknowledgment by the Daughter Countries that the Sovereign of Great Britain is Sovereign of them also, and the pledge that in war the Daughter Countries will assist the Mother Country. But as the Daughter Countries are not subject to any supreme authority it is clearly a misapplication of terms to call the political unit of which they form part an Empire. It is not even a federation, at least in the sense in which the word "Federation"

is now commonly used. For there is no common legislative body competent to pass laws binding upon all. In theory, it is true that the Parliament at Westminster has the right to pass laws binding upon every portion of the vast territories that owe allegiance to the British Sovereign; and in practice laws are frequently passed at Westminster which do govern every portion of the Empire. For instance, the federations of Canada, of Australia, and of South Africa, were constituted by Act of the Parliament at Westminster. For all that, the Parliament at Westminster would not in practice pass a law obnoxious to the self-governing dominions. Moreover, there is no central administration managing the affairs of the possessions of the British Crown. It has already been pointed out that the Government at Westminster has no control over either the military or naval forces of the dominions beyond sea. On the other hand, the dominions beyond sea have no practical control, or even real voice, in the management of the foreign affairs of the Empire. But as there is no central Government, whether legislative or administrative, clearly the so-called British Empire is neither an Empire nor a federation in the ordinary sense of those words. For although there is an understanding, there is no instrument of any kind binding upon the self-governing communities to remain permanently within the so-called Empire. On the contrary, the belief is almost universal that if they wished to secede no attempt would be made forcibly to prevent them. Clearly, then, the vast territories ruled over by the King do not constitute an Empire, do not even form a federation. In their aggregation they make up an entirely new phenomenon differing in essential points from anything that has ever hitherto existed.

Moreover, India is already beginning to assert certain rights. Quite recently natives have been admitted as

representative members to the Viceregal and provincial Councils; and in the very first session of the Viceregal Council the native members demanded that some action should be taken against South Africa because she excludes native Indians from settlement within the Union, and the demand was so universal and so strong that the Indian Government found it necessary to give way, and to pledge itself that it would no longer allow indentured labourers to go to other portions of the Empire which refused to permit the settlement of Indians unless adequate concessions were made to India. Quite recently, the promise so given was fulfilled as regards Natal, to which in future indentured Indian labour is to be refused. It is reasonably certain that the exclusion of Indians from the self-governing communities of the Empire will rankle more and more every day in the minds of Indians, and, therefore, we must be prepared for still stronger demonstrations both in the Viceregal and the provincials Councils. In other words, all the indications point to the probability that India will assert her right to a greater share in the management of her own affairs. The desire for the management of their own affairs in their own way without interference from outside, is, however, by no means confined either to the self-governing dominions or to the great dependencies like India. It manifests itself equally within the United Kingdom, and most obtrusively in Ireland. As a matter of course, the misgovernment of that country in the past accounts for the present unpopularity of British administration there. But the demand for Home Rule is not altogether due to memories of an evil past. It springs to no small extent from the conviction that without it there is no reasonable prospect of prosperity. It will be recollected that the war against the clans lasted from the reign of Henry the Eighth until the accession of James the First, that during the

long period of its continuance all provision that had been made for the education and civilisation of the country had been destroyed ; that the whole soil of the country was confiscated, foreigners being substituted for natives ; that the religion of the natives was proscribed ; and that they themselves, so long as they continued Catholic, were by law declared incapable of exercising any civic right or even of acquiring the fee simple of land. Consequently, when the first repeal of the Penal Laws occurred the Catholics found themselves aliens in their own land, without means of education, without a voice in the management of their own affairs, and without an opportunity for raising themselves in the world. In other words, there was the most pressing need for a complete reorganisation of the country, politically, socially, and economically. When the Union took place there was an opportunity to carry out this reorganisation ; but it was neglected. Again, there was a great opportunity when the failure of the potato crop caused a complete social breakdown ; but again the opportunity was thrown away. Is it any wonder that the Irish people have become convinced that Englishmen and Scotchmen are absolutely incapable of understanding the requirements of Ireland, and that, therefore, it is only by giving the administration of their own affairs into the hands of Irishmen that there is a chance of rescuing the country from the grievous decay in which she is at present ? It is, however, unnecessary to pursue the matter further. The dominant Party in the United Kingdom now recognises that Home Rule is absolutely indispensable, and in a very short time, no doubt, it will be carried into effect. But the strength of the feeling in Ireland for Irish management of Irish affairs illustrates the almost universality of the feeling throughout the Empire that contentment, progress, and prosperity are to be attained not by closer

union, but by entrusting to each community within the Empire the management of its own special affairs.

If our people have the political sagacity to recognise the drift of events and to act in accordance with the spirit of the time there ought to be no serious difficulty in bringing about such an organisation of the common affairs of the Empire as will give it a far more potent voice than it has ever hitherto exercised in the councils of the nations—a voice that would enable it not only to work successfully for the maintenance of international peace, but also would put it in its power to pursue a policy which would immensely assist the several members of the Empire in carrying out the great policy of social reform sketched out in the preceding pages. Suppose, for example, Home Rule were granted, the Imperial Parliament would at once acquire time for attending to matters which are now shamefully neglected. Ever since the Irish Members adopted the policy of obstruction it has been next to impossible fully to discuss any subject, no matter what its importance might be. The Closure has had to be applied to get anything done, with the result that the real intentions of Parliament have seldom been carried out, and that it has devolved upon the judges by interpretation of Acts practically to make laws for the country. If Home Rule for Ireland were followed by Home Rule for Scotland and Wales also, everything that is now classed as private legislation would be devolved on the subordinate legislatures, and the Imperial Parliament would have time to devote its attention to the really important questions. Especially it would have time to watch closely over finance; the scandal of applying the Closure when millions are being voted, would cease; and there would be at least a chance that real economy would be introduced. It is impossible to believe, for example, that a very great reduction of

outlay is not practicable both in regard to the Army and the Navy without in the least diminishing the efficiency of either. Both services have existed so long that changes amounting to revolutions have occurred in regard to them. For instance, the sailing ship has entirely disappeared, and not only has its place been taken by the steamship, but the magnitude of the existing battleship is out of all comparison greater than that of the old line-of-battle ship. Similarly, the old Brown Bess and the old muzzle-loading cannon have disappeared. When the national expenditure is growing so rapidly as it is growing at present it is of the utmost importance that every real and beneficial economy should be enforced. But there is no chance of such enforcement until Parliament acquires leisure to give its attention to such matters. Assuming that some kind of Imperial reorganisation were effected which would be in accordance with the desire of the several members of the Empire to retain all the rights they have acquired up to now without interference from any other member and, therefore, carrying with it the cordial assent of each and all, it seems clear that the self-governing portions of the Empire beyond sea should have opportunities to understand day by day and hour by hour the course of our foreign policy, and should feel that the course is the right one, taking into full consideration all the merits and demerits of the case. For every country peace is the greatest of all interests. But there are times when even peace must be sacrificed; and there are times, also, when the most peace-loving cannot ensure the maintenance of peace because an opponent has made up his mind for war. Therefore, it is desirable that every member of the Empire should understand fully that the Empire has not wantonly rushed into hostilities, is not eager to extend its borders to the extent that it will trample upon the rights of others.

Moreover, it is desirable, in the interest of all, that the knowledge of every part of the Empire should be brought to bear upon great questions of foreign policy. There are times when a Canadian, or an Australian, or a South African statesman may be in a position to contribute knowledge of the highest import to a discussion, or may be so placed that he may have the opportunity to judge more correctly than an Englishman, say. In any case, all should have their share in framing the policy of the Empire. How best this end can be attained it would be waste of time here to inquire, so manifestly does it depend upon the feeling of the various members of the Empire. A central Parliament in London, and representatives of the various Cabinets of the Empire residing in London, have been suggested. It would be easy to put forward other plans. Which ought to be adopted will clearly depend upon which meets with the approval of the majority of those who ultimately have to decide. All that is necessary to say here is that a central Parliament of any kind, however it may be disguised under a modest name, is entirely out of the question since the self-governing portions of the Empire will certainly not part with any of the rights they have acquired. But every part of the Empire is intensely interested in security against invasion, and generally in the maintenance of peace. Therefore, the one subject on which all are united is effective preparation against attack, and organisation for that is consequently most likely to lead to permanent Imperial organisation. It is clear, therefore, that arrangements should be made without delay for keeping every part of the Empire constantly and fully informed respecting foreign affairs, and that means should be provided beforehand for bringing, whenever the occasion arises, the whole force of the Empire to bear without avoidable delay upon an enemy. It needs no great knowledge of

military science to recognise that an opportunity missed at the beginning of a conflict may mean its prolongation for many years. For example, everybody knows that at the outbreak of hostilities at the beginning of the French Revolution it would have been very easy to impose peace upon France, so completely disorganised were her Army and her Navy. The opportunity was missed, and nearly a quarter of a century of warfare followed. One desirable means obviously is to improve to the utmost the communications between the several parts of the Empire. Any one familiar with colonial newspapers must have convinced himself that the news from home is entirely too meagre to enable British people beyond sea to understand properly what is going on at home. Similarly, every reader of home newspapers must recognise that the information they habitually contain respecting the oversea possessions of the Crown is entirely insufficient to enable people at home to understand what is going on abroad. Clearly, if the Empire is to be animated by one spirit and to act with real unanimity, it ought to have much better means of communication than it has at present. Equally are such improved communications required by trade. The Mother Country affords the greatest market for the products of the Daughter Countries, and the commercial information, therefore, ought to be on both sides full and adequate. Another of the means is to make it easy for all dwellers within the Empire to pass freely from any one part of it to any other, both by opening up the several countries by means of railways, and by establishing good systems of communication by steamship, telegraph, and the like. Unfortunately, the self-governing portions of the Empire insist upon keeping their own countries for white men only, and, therefore, they exclude Indians. So much has been said already in regard to this matter

that it is not necessary to add anything here except to remind those who feel the full importance of the subject that the exclusion of coloured people from a large part of the Empire is calculated to act injuriously upon the economic development of the portions of the Empire inhabited by coloured people, and, therefore, is fraught with difficulties and dangers for the future.

There are a multitude of other ways in which the Empire, acting as one body, can promote the purchasing power of its people. For example, the British Empire is scattered widely over the world, and has every variety of climate. Consequently, there ought to be a fully organised service for meteorological observation. There is an elaborate system here at home, in the self-governing portions of the Empire, in India, and in some other possessions of the Crown. Whether the service in every case is as well organised as it might be, and whether as much money as it requires is spent upon it, need not detain us now. The matter specially deserving of attention is that disease is to some extent a consequence of climate. The great heat of the sun, for example, playing upon stagnant pools unquestionably does cause disease. And in many other ways disease is traceable to climate. No doubt human negligence and human ignorance contribute very largely. For instance, cholera is generated almost always in very hot climates. But there can be no doubt that unsanitary conditions contribute largely to its mortality. Therefore, it is in the power of the several Governments within the Empire, by combining, co-operating, and communicating constantly with one another, to give great help to the medical profession, and thereby to increase materially the health of the various communities within the British Empire. In addition to this, if each Government gives the fullest possible attention to agriculture in all its branches; if it encourages research,

experiment, and observation ; if it seeks out the best seeds and the best modes of culture, it can do a great deal to help its own people. And if it is in close and constant communication with the other Governments of the Empire it can give those the benefit of its own activities. In these ways there is no question that the wealth, and, therefore, the purchasing power, of the Empire can be immensely stimulated. There is one other matter to which particular attention ought to be called. It is the extension of education. The Empire is so vast ; the races inhabiting it vary so widely ; the populations of the several States live under such diverse conditions ; the climates, the soils, the flora, and the fauna all so differ that it is natural to believe that in regard to education, as well as to many other things, adaptation to circumstances is indispensable. Of course, the same principles apply universally, but there must be need for divergencies of application when carrying those principles into effect. As a consequence of all this, the Government of each State in the Empire must regulate its own education. But there ought, at the same time, to be co-operation between the several parts. There ought to be arrangements in every case to enable students to pass from one part of the Empire to any other, and to take advantage of the educational facilities of that to which they come. There ought also to be frequent communication between not only the educational authorities of the different parts of the Empire, but between the teachers likewise. It is not meant by this that uniformity is desirable. Uniformity might lead to a dead level. But it would be eminently advantageous if every part of the Empire was in a position to learn what was going on educationally in every other part. For instance, if an improvement were introduced in any one portion of the Empire it would be for the benefit of all that it should be made known to every other member

of the Empire, so that each should have the opportunity of introducing the improvement if it so desired. Everything, indeed, that will broaden the horizon of communities, will keep the various members of the British Empire in touch, will make them acquainted with one another, and will keep alive the memory that they are members of one great Empire, ought to be done so as to improve the condition of the whole. The matter, however, is too important to be dealt with in a mere paragraph. I shall, therefore, refer to it in another chapter.

Without attempting to enumerate every way in which the several communities making up the British Empire can help one another in increasing their purchasing power it is enough to say that the Government of each ought to be in constant communication with the Governments of all the others, and ought to keep those others fully acquainted with what it is doing, and take measures to place at the disposal of those others the results of its own research, of its own discoveries, and generally of its own activities. There is, however, one point remaining which it seems desirable to bring to the attention of the reader. As has been pointed out already in a preceding chapter it happens that the British Empire includes within it a large part of the coldest regions of the northern hemisphere as well as a large part of the tropical regions of both the northern and southern hemispheres, and likewise a large part of the temperate portions of the earth. Therefore, it is in a position to contribute more largely than any other political community to meteorological research. The greater part of Arctic America is within Canadian territory, and it is unnecessary to remind the reader how much of the tropical and subtropical portions of the world are included in India, Australia, the Straits Settlements, the Malay States, Borneo, New Guinea, and the West Indies. It follows that it is in the power of the Empire,

by judicious organisation, to do more for the progress of meteorological research than perhaps any other political entity. A very great deal is being done already, as has been pointed out, in considering how best the condition of the Indian people can be improved economically. The Indian Government, for instance, has established a system for conducting meteorological research, and is in constant communication with the neighbouring countries. These neighbouring countries, of course, conduct meteorological research also else they would not be in a position to assist India. It is unnecessary to add that meteorological research is being promoted in almost all civilised countries. For a long time the Government of the United States has employed its military engineers in meteorological research. Canada is following the example. In short, all the great countries are doing more or less. But from its peculiar constitution, the British Empire is in a position to assist most largely. It has been suggested that it should invite the other Governments to send delegates to a convention for the purpose of considering what steps should be taken to improve in every practicable way such research, and it would seem advisable that the suggested conference should hold more than one session, should, in short, be a kind of international scientific Parliament meeting at stated periods. There are few ways in which the welfare of mankind could be more surely advanced. Granting all that can be said respecting the injury done by intemperance, unsanitary homes, dirty habits, idleness, and vice in general, it still remains true that a very large part of the suffering of mankind, and, consequently, of poverty, is due to disease imported from abroad. There seems to be no doubt that epidemics, at all events, are bred in tropical or semi-tropical regions, and spread from them to Europe. It is not pretended that the virulence is not greatly increased by ignorance, dirt, and neglect.

Still, the plague that has played so much havoc in India for many recent years, and that which is causing such mortality in Manchuria, prove to us clearly to what a serious extent the health of even the most civilised countries is affected by disease breaking out in far distant and very backward countries. It would, therefore, be of inestimable value if our meteorological knowledge could be greatly enlarged, and if, at the same time, fitting means could be taken to increase our knowledge of the causes of disease in the tropical and sub-tropical countries, of the ways in which it is spread, and of the means by which it can best be counteracted. For further promoting meteorological research very little additional expense is required. Probably what is most needed is organisation and co-ordination. In regard to medical investigation of the causes of disease in the countries which breed virulent disease on the greatest scale, and of the means by which such disease can best be battled against, there is much more wanted. Just now when the plague in Manchuria has excited so much interest, in the matter it probably would not be difficult to bring about an international conference to consider how the study of the matter ought to be promoted and organised. Once the method of action were agreed upon there ought to be little difficulty in proceeding with it successfully.

CHAPTER XLIV

IMPERIAL EDUCATION

THE Imperial Education Conference held in London last April is calculated to inspire hope that at last the full importance of education is being recognised in all parts of the Empire, and that the several Governments are honestly endeavouring to inform themselves how best they can promote the health and the efficiency of their peoples by improving in every possible way their systems of instruction. That the preparations for the Conference have not been adequate or well inspired, and that the papers read at the afternoon meetings of the delegates have not been suitable, need cause little surprise and still less disappointment. As a people we are singularly uninterested in education. Consequently, it is a matter of course that our public men display little judgment in choosing officials for the Education Department; that, in fact, they think they have done their duty when they attract men who have made some mark at Oxford or Cambridge, where, as a rule, the governing classes are educated. Things being as they are, public men can hardly be expected to know that Oxford and Cambridge are not, in the proper sense of the word, educational institutions. The mistakes committed, however, must not be made too much of. On the contrary, we may note with satisfaction that two Imperial Education Conferences have actually been held, and that it has been decided to establish a Permanent Standing Committee in which all the

Governments interested will be represented to look after for the future Imperial education. Without wasting time on what has been done, it will be more useful to consider what requires to be done in the immediate future. The new Imperial Education Committee can promote this if it sets about the task with goodwill. The first thing essential to be realised is that in the history of the world until quite recently, education has been looked upon as a thing pertaining only to the privileged classes. In ancient times—in the times, that is to say, of slavery and serfdom—that, of course, was inevitable. The serf, and still more the slave, was not regarded as a full human being entitled to intellectual rights as such. Even in Christendom it is to be recollected that slavery and serfdom have died out quite recently. Men still taking part in the business of the world remember the abolition of slavery even in such a highly civilised country as the United States. Its abolition in South America has been still more recent. It exists to the present moment in a large part of Africa, and in not a little of Asia. Serfdom, again, survived in Russia until the sixth decade of last century and was abolished even in Prussia only at the beginning of last century, while it lasted in France until it was swept away by the great Revolution. The recognition, then, of the intellectual rights of the greater part of mankind is a very recent thing, and, consequently, education, whether national or Imperial, is an exceedingly modern innovation. Over and above this, the public provision of education in Christendom had its origin in the desire of great intellectual and broad-minded ecclesiastics to supply the Christian Church with adequately trained priests. And the institutions which they founded for their own special purposes speedily rose to so much eminence that they have ever since dominated educational ideas as well as educational practice. Furthermore, it is to be borne in mind that in this country since its secession

from the Roman Communion education, owing to causes pointed out in preceding chapters, has come to be looked upon as a perquisite of the rich. So much, indeed, is this the case that a magazine which purports to speak specially for the two Universities of Oxford and Cambridge defends the present condition of both on the express ground that their function is not to teach but to turn out *gentlemen* in the narrow technical English sense. Any one who will carefully consider all the facts will see, therefore, that our existing educational system, if to call it a system is not making too great a demand upon the courtesy of readers, is not adapted to Democratic communities which have to work for their daily bread, to increase and multiply, and to subdue and inhabit the earth. Such communities cannot pay high fees, and even if the fees were remitted, cannot afford to be brought up with contempt for work, with the notion that they are superior to the common herd, and that their business in life is to lead as a matter of right. National education, then, not less than Imperial education, ought to be framed to suit communities which have to earn their own livelihood, to adapt themselves to the circumstances in which they may be placed, and which, therefore, require above everything presence of mind, readiness of resource, handiness, and skill. For all those reasons and others that might be enumerated, experience will help us little in forming a sound, scientific, democratic system of education, though, of course, every item of experience ought to be carefully noted and carefully studied, and especially the experience of the newer communities and of such communities as Prussia and Japan which have struck out new courses and proved their excellence by their results. But that experience, even of the very best kind, will carry us an exceedingly short way is proved by a glance at the existing state of the world—the abysmal ignorance even of the classes that are

dubbed "educated," the abounding superstition, the mischievous prejudices, the class antipathies, the unhealthiness, the poverty, the distress, the vice, the crime, the want of skill, the unhandiness, the utter helplessness of the mass of mankind after so many tens of thousands of years of so-called civilisation. Our main reliance, then, must be upon the teachings of science. Happily science points the way to what we ought to endeavour to reach. Every one who carefully, habitually, and intelligently watches children is aware that apart from the gratification of the purely animal instincts, the motives by which they are swayed most regularly and constantly are curiosity, imitateness, and communicativeness. It is on the first two of these that must be based every system of what is commonly known as education if it is to succeed. The third prompts the child to expression. It is, therefore, the basis of art, literature, religion, and so on. But what is usually called education must be built mainly upon curiosity and imitateness. From the moment of its birth the child is watching with the keenest interest everything that goes on about it. And if parents and teachers had had the common sense, the patience, and the good feeling to respect this demonstration of nature, to encourage and to train it, the world would now be an infinitely happier place than it is. Unfortunately, children instead of being encouraged to ask questions, however inconvenient they may be, are habitually, and not seldom roughly, snubbed. As a consequence, the impression is gradually forced into them that asking questions is an offence for which they will be lucky if they are not punished. In this way, a child is made to feel that, if he is not actually committing an offence, he is at all events making himself a nuisance to his elders; and, as a result, he imbibes the notion that curiosity is a thing to be restrained, and even to be ashamed of. Thus, in his tender years, the strong

desire for knowledge which Nature implants in him is killed. Where parents and teachers do not roughly discountenance curiosity, they as a rule laugh at it, which is often a more effectual way than anger to crush it out, for everybody knows how exceedingly sensitive to ridicule are children as well as grown people. It is true, of course, that children's questions are often exceedingly disconcerting, and, therefore, it is easy to understand that the temptation is strong for parents, nurses, and teachers to snub the child rather than to puzzle themselves how to answer him. Nevertheless, if the world is really to progress, if there is ever to be a really efficient system of education, curiosity will have to be encouraged in children from the moment of their birth instead of being repressed as at present, and will have to be gratified as far as possible. It is also true that the child may really become a nuisance if his or her curiosity is not regulated. The child who tries to be always in evidence is very trying, and besides the man or the woman who grows up with the impression that he or she ought always to be foremost and to have every whim gratified is a person scarcely to be lived with. Therefore, it is beyond dispute that there should be discipline as well as the training and the gratification of curiosity. But in every branch of life and in every manifestation of human activity there is need for discipline. It does not follow in the least that a thing should be put down because it is liable to abuse. What does follow is that it should be regulated or disciplined according to the circumstances. The task in education, as in everything else, is to prevent the abuse while encouraging, strengthening, and improving the instinct, tendency, or whatever it may be, in all the uses which minister to the benefit either of the individual or of the community. What is true in this respect is equally true of imitativeness. As soon as the child is capable of observing it begins to imitate, and

it continues to imitate throughout life. It is by imitation that it learns its mother tongue, how to walk, how to run, in short how to do everything. It is, therefore, upon imitativeness that teaching must be mainly based. And this is true not merely in elementary teaching. It is true in all instruction of every kind, even in the very highest departments of literature and art. It is by example principally that we all learn. He, for example, who would attain to a fine style studies continuously the great authors of the language. Similarly the orator, the actor, the singer, all learn from the example of the leaders in those special departments. It sounds like a paradox, yet it is literally true, that it is by imitation in the last resort that originality is attained. The best example, perhaps, of that is seen in the case of Shakespeare, who began by appropriating and touching up the works of inferior dramatists and ended by leaving the greatest name in English literature. But while it is literally true that all successful teaching must be based upon example, it is not to be denied that there is a danger that imitation may kill whatever originality may be in an inferior aspirant to fame. It is, therefore, as necessary to guide imitativeness as to discipline curiosity. And it is this double task of encouraging and restraining which needs to be perpetually observed which makes the teacher's art so incalculably difficult. He is constantly seeming to contradict himself, to impel and forbid the very same thing. Unless, therefore, he is himself possessed of the rarest qualifications, and at the same time is most highly trained, it is almost inevitable that he should fail. In the last resort it follows that successful education resolves itself into successful training of teachers. To sum up, then, what has been said so far, imitativeness is the quality in the learner which enables the teacher to instruct. Curiosity, on the other hand, is the force within him which impels him to observe,

and therefore supplies the stimulus to acquire knowledge. On the other hand, communicativeness is the force within him which not only inspires him with the desire to convey to others his impressions, his feelings, his wishes, but which prompts him to urge them to action. In ordinary education it plays a comparatively small part, though the competent teacher will call it in to assist him in the cases where it can properly be brought into play. Having got so far we reach the point where those whose duty it is to frame systems are in a position to obtain a broad view, not only of the nature of the education which is suited to the nation and to the Empire, but also of the institutions that are capable of carrying it into effect. Before, however, proceeding to consider the groundwork of curricula and institutions, it is desirable that the various peoples of the Empire should settle certain questions which ought to be very carefully thought out before entering upon definite legislative or administrative measures. For one thing, it needs to be decided whether, and to what extent, education includes any branch of medical science. Everybody probably will agree that all local education authorities ought to have for their guidance medical advisers so that in drawing up their schemes of study they shall not over-tax the boys and girls ; and, consequently, do more harm than good. Probably also there will be general agreement that individual children should be subjected to medical inspection periodically to determine among other things whether their sight, their state of health, and so on, fit them for a definite course of study. These, however, are questions that hardly call for special consideration in an Imperial Conference. What I am here thinking of are problems of much greater complexity and difficulty. To instance but a single one, Is the world right in its action hitherto in leaving to pregnant women and their husbands the responsibility for the health of the child during

pregnancy? Everybody knows that the child not only is liable to injury, but very frequently does suffer injury. Has the world hitherto been right in leaving it to the parental instincts alone to safeguard the child, or ought the State interest itself in any way? And if the answer is in the affirmative, ought it interest itself only indirectly, or ought it insist that a certain course of conduct shall be followed? There are many other points of a somewhat similar character which might be raised, but enough has, it is to be hoped, been said to indicate a whole range of questions which ought to be discussed when a system of education for the greatest Empire the world has ever seen is being elaborated. I cannot, however, refrain from touching upon the question whether it is desirable that any limitation should be imposed upon the bringing of children into the world. Is it right that men and women with the taint of insanity and similar diseases, or criminals, or hopeless paupers, should be allowed to bring children into the world? If it is not right, is there any likelihood that the practice can be prevented, or even considerably restricted? And if there is such likelihood what are the advisable means, and how are the prohibitions to be enforced? In short, it should carefully be considered—whatever may be the opinion of the various members of the Conference as to the impropriety of bringing children into the world under such circumstances,—whether it is or is not probable that in the present state of public opinion there would be a revolt against all repressive measures; and, consequently, a danger that the end aimed at might be made more distant than ever. In this attempt to direct the attention of the reader to the fundamental principles upon which alone a successful system of Imperial education can be erected I shall occupy his time with only one other line of inquiry. It is this: Ought any steps to be taken to prepare the child between birth and school-going for the

new life he will at the latter period have to enter upon ? It has already been suggested that there should be a discussion as to whether the child should be looked after in any way during the period between conception and conscious independence. The question now raised is, What course ought to be adopted after birth, but before school-going ? School-going, it is hardly necessary to point out, implies that the child shall be subjected to all the influences which the school is capable of bringing to bear upon him. Hitherto there has been no kind of preparation in any country, time, or class for the child's participation in school life. Is the practice of the world hitherto right, or ought there to be some kind of preparation ? In putting the question it is not meant to suggest that a beginning should be made in teaching the alphabet, or in any other way. It is not even meant that a beginning should be made in habituating the child to the restraint of sitting upon a form or taking part in a class. The question is put in the widest possible form. It is taken for granted that everybody will agree that the child should in the future as in the past be under the care of women. The mothers of all children have hitherto either directly or through servants taken care of the children in that interval, and I assume everybody will agree that women are best qualified for the care of children during infancy. But ought the parents to be left to judge for themselves whether any nurse-girl is good enough to take care of the children, or as the State charges itself with the education of all its children should the State also require that the parents should take care that persons qualified for the task should be entrusted with the care of children between their birth and their going to school ? If education is to be universal, and if women in the future as in the past are to look to marriage as their proper destiny, it does not seem that it would be a very difficult thing to train girls with a special view

to the taking care of children. And if girls are so specially prepared it does not seem that it would be a hardship upon parents to require them, if they cannot give the time, the thought, and the attention themselves that their children require, at least to make sure that the servants they employ shall be fully qualified. It is certain that at the present time public opinion is not prepared for an interference of the kind here suggested with the management of their children by parents. And it is clear that it would be unwise to do anything which would set opinion against reform. Besides, there is so much that is far more pressing to be accomplished that interference of this kind cannot be undertaken for a long time to come. Yet sooner or later the question will have to be considered, and it is raised here more to set people thinking than in the desire to stimulate any kind of action.

CHAPTER XLV

CONCLUSION

To carry out the policy sketched out in the preceding pages there is need for a long period of international repose. A great war distracts the attention not of the Government only, but the whole community. It calls upon the community, moreover, to spend money lavishly in providing the means for the destruction of life and property, and above all it causes so lamentable a destruction of life and property as materially decreases the accumulation of capital, and thereby renders impossible the due continuance of the policy recommended. Over and above this, as during recent years we have learned to our cost, when the political sky becomes overcast and fears of hostilities upon an extended scale spring up, the disposition to engage in new enterprise is checked; trade shrinks; and the well-being of the people suffers. Peace, then, is essential for the due execution of a great progressive policy. Peace in itself does not necessarily increase the purchasing power of a people. But peace is an indispensable condition for carrying out a policy that will increase the purchasing power. It is our good fortune at present that this country is so happily placed that it has an opportunity just now to do much to ensure the peace of the world for a long time to come. The United Kingdom is the centre and brain of the greatest Empire the world has ever seen, and if it brings about such an organisation of that Empire as will impress upon all

intending disturbers of the peace that an attack upon it would probably lead to disaster, it will go a long way towards preventing war. As the United States is also intensely desirous of maintaining peace, whatever might be done by the British Empire, looking to that end, would in all reasonable likelihood receive the support of the United States. Therefore it is possible for us, if we bend our energies to the task, to go far to prevent war for many a day. The first step necessary for such a purpose manifestly is to bring about a more satisfactory relation between the Mother Country and the Daughter Countries. The haste with which all the world is increasing armaments by sea and land makes everybody feel that a slight accident might bring about a great war. Therefore everybody is predisposed to measures calculated to ensure the maintenance of peace. For that reason there is a disposition both in the Mother Country and in the Daughter Countries to draw closer the relations between one another. Hitherto, nevertheless, the efforts made with that view have not been attended by as much success as is desirable. This is due, mainly, to the mistaken manner in which the attempt has been made. Leaving out of account the Empires of antiquity, respecting whose internal constitutions we have but little reliable information, it may be said that hitherto it has been generally taken for granted that without unification there was little likelihood of a State of more than one community lasting long. The seven United Provinces and Switzerland may be cited as exceptions, but even in them it was often endeavoured to give greater power to the central governments. In almost every other case the statement is fully borne out. France has been constituted by the annexation of a large number of Duchies and Counties to the hereditary domain of the Capets. The modern history of Spain is little more than a record of the attempts of Castille to absorb the other

provinces. Even the Hapsburgs have been striving for long to convert states, some of which came to them by marriage, and others by election, into a unified monarchy in which the German minority should be the ruling race. Coming to quite modern times, we see that when the present Constitution of the United States was formed it was decreed that there should be absolute Free Trade between the federating States, and that every citizen of the Republic should be free to move from State to State. Similarly, when the German Empire was constituted Free Trade within its borders was adopted, and the right was given to every German to pass freely from State to State. It is not surprising, then, that those amongst ourselves who wish to draw closer the relations between the Mother Country and the Daughter Countries began by proposing a federation. It very soon became evident, however, that federation was strongly distasteful to the Daughter Countries, and Mr. Chamberlain, in the vain hope of overcoming the distaste, proposed preferential trade. But the disposition to federate is as much absent now as it was when the movement first commenced.

Similarly, we see in the United Kingdom a determination on the part of a large proportion of the people of England and Scotland to keep Ireland within the Union against her will. When the final conquest of Ireland began in the reign of Henry the Eighth there was no native government in Ireland; there was no cohesion amongst the native clans; there was nothing, in fact, to enable the clans to struggle successfully for their independence. Yet the war lasted until the accession of James the First. During the long struggle every provision that had been made by pious founders for the education and civilisation of the people was swept away, and when the clans were ultimately subdued nothing was done to make good the void thus created. The native land laws were swept

away and replaced by the English land laws. Roman Catholicism, the religion of the natives, was ostracised. The priests were hunted down like wild beasts and banished from the country. And such educational establishments as were introduced were entirely Protestant. It is possible that the effort to Protestantise and Anglicise the native Irish might have succeeded if the Bible and the Book of Common Prayer had been translated into Gaelic; if the clergy had all been required to preach in Gaelic; and if the people had been educated to read and understand the Scriptures. But nothing of the kind was done. The proselytising was expected to be effected by mere terror. It follows that the Union under the circumstances was doomed to failure. When the Union was carried through everything that was necessary to make Ireland civilised and prosperous required to be done from the beginning, and it was manifest that that could be done effectually only by those who clearly understood what really was wanted. How completely the British Parliament failed to understand is shown by the fact that it was only a couple of years ago that a Catholic university was established in Ireland. Everybody admitted Ireland's need for education, elementary, intermediate, and higher. Yet through mere bigotry the demand of the Catholics for a Catholic university was obstinately refused. The Union which took place in 1800 was over a century old before the first Catholic university was established. Similarly, from the time of James the First to our own day the native Irish have been in rebellion against the English land laws. Yet in that case also the Union was more than a century old before the British Parliament could make up its mind to buy out the landlords. In every case the British Parliament showed itself absolutely incapable of understanding the wants of Ireland, and thus ended by bringing about an utter decay of the country.

The last census of Ireland shows that the population was only about half what it had been in 1841. Everything, then—the war between landlords and tenants, the ignorance of the whole population, the decay of the towns, the unnatural emigration, bringing down the population in about seventy years to half what it was at the beginning—proves the disastrous failure of the Union. Clearly, then, if Ireland is to be restored to prosperity and to become an educated, contented, and fairly well-to-do country, it must be allowed to manage its own affairs in its own way. As a matter of course, it will make mistakes in the beginning. But it is by our mistakes that we all learn. And Ireland will be taught by the consequences of her mistakes the true policy to adopt ultimately.

Even then, in the United Kingdom itself experience proves that the policy of unification has been wrong. For it there ought to be substituted a policy of differentiation. Similarly, in regard to the Daughter Countries of the Empire, the true policy is not unification, whether it be called federation, or by any other name, but differentiation. Canada, like the other Colonies, used when she was weak and divided to submit meekly to all treaties made by the Mother Country. But when Canadian federation had proved to be a success, and the Canadians began to look upon themselves as a nation, they demanded the denunciation of the treaties of commerce with Germany and Belgium. The treaties were denounced, and though Germany began a war of tariffs with Canada, Canada retaliated, and Germany after some years of conflict had to surrender. Later still, Canada has insisted upon negotiating treaties of commerce with the West Indies, with France, Germany, and the United States. Thus Canada has successfully established her right to make treaties with other portions of the British Empire and with foreign Powers. Furthermore, Canada has established

an Army and a Navy. Thus in all essential respects Canada has asserted her right to almost every exercise of power which belongs to a sovereign State. She still recognises as her sovereign the Sovereign of Great Britain; but practically in everything else she is independent. Not only is she so in the respects already pointed out, but she imposes duties upon goods imported from the United Kingdom; she shuts out citizens of the United Kingdom considered by her undesirable immigrants; and lastly, she shuts out British Indian subjects simply because of their colour. What Canada has gained for herself she has gained for all the other self-governing portions of the Empire, and, therefore, it is time that we should all recognise that the Daughter Countries are, to all intents and purposes, independent States connected with the Mother Country only by the link of the Crown. There is more than this, however, and more significant. Canada, Australia, and South Africa are determined to be white men's lands. Therefore, they shut out from settlement all coloured people, British Indians, as already said, and, likewise, foreigners. Naturally the Indians resent such exclusion very bitterly. They consider it an insult to be told practically that they are not fit to live in the same country with white men and to exercise white men's rights. Therefore, when native Indians were admitted last year to the Viceroy's Council one of the very first things they did was to urge upon the Government the necessity for retaliating against the Daughter Countries. And the Government was compelled to promise that it would not allow Indians to be employed as indentured labourers in the portions of the Empire that shut out coloured people. Quite recently the promise then given has been carried into effect as regards Natal. Thus it will be seen that what has been done by the self-governing dominions beyond sea is now being repeated by the Indian

Empire, and as the reforms carried out by Lord Morley and Lord Minto cannot be withdrawn, it is as certain as anything can be that the native members of the Indian Councils will proceed from one step to another until they establish their right to guide the policy of the Indian Government. It is true that Lord Morley has declared very firmly that it was no part of his intention to establish the Parliamentary system in India, and that such system would not be established. If Lord Morley meant simply by that that there would not be a Cabinet established in India which could be overturned by a vote of the Viceroy's Council no doubt Parliamentary institutions in that sense will not be introduced for many a day. But if he meant that the native members who are in a large majority will not compel the Government to conform its policy in all matters on which there is a strong Indian feeling to Indian requirements then he was undoubtedly wrong.

I have entered into this matter at some length, because I feel very strongly that British opinion hitherto has been moving in the wrong direction, and that if it persists in the same course it will involve itself in disastrous failure. I am anxious, therefore, to press upon the reader that federation in the ordinary sense of the word is absolutely out of the question; that the Daughter Countries will not give up the rights they have so successfully asserted; that, on the contrary, portions of the Empire like India which up to now have not had self-government will follow in the footsteps of the self-governing dominions; and, finally, that the only true and promising policy is to recognise the trend of events while there is time and to adapt our policy to the spirit of the time. If we do we shall give Home Rule to Ireland, and we shall cease to urge federation upon the self-governing dominions. But at the same time, we shall aim at maintaining the Empire as it has grown up, naturally. It is not probable, even if

we go on agitating for federation, that any of the self-governing portions of the Empire will withdraw from it, so long, at all events, as the present competition in naval and military armaments lasts. For withdrawal would place the self-governing dominions in a dangerous position. It is very probable that a quarter of a century hence the population of Canada, to take an example, will be double what it is at present. But the populations of all the forward portions of the earth will also grow in the same time. Therefore, compared with the United States, Germany, Russia, Japan, or China, the population of Canada, even when it becomes ten or twelve millions of souls, will be very small. And the populations of Australasia and South Africa similarly will be very small. Self-defence, then, if there were no other sentiment, would compel the self-governing dominions to remain within the Empire while the danger of aggression remains what it is at present. But if ever the danger of aggression becomes slight, dissatisfaction here at home with everything short of federation is likely to create an unfriendly feeling in the self-governing dominions. On the other hand, there is no reason why they should withdraw from a great League of Peace even if the competition in armaments grew more moderate or ended altogether. Remaining within the Empire each Dominion, Commonwealth, or Union would have perfect control over all its own interests, and would have a sphere of influence somewhere in its neighbourhood. Each Dominion, while managing its own affairs, without interference from outside and having subordinate to it a sphere of influence, would belong to a political entity absolutely unique in the world's experience—an entity that would neither be an Empire, nor a Federation, nor a Republic. In it there would be no superior. All the members composing it would constitute a League in which the Mother Country might be allowed

the right of primacy simply because she is the Mother Country, but in which she would exercise absolutely no political superiority. The League would be somewhat like what we may conceive the Athenian League to have been in its origin. The various cities which attached themselves to Athens during the war with Persia did not, we may be sure, recognise Athens as in any sense a Sovereign over them. They were presumably a League led by Athens because she was unquestionably the greatest naval Power. No doubt she abused her right ultimately. But she did so because the other cities did not grow as she grew. In the British Empire the outlying possessions are likely to grow far more rapidly than the United Kingdom. It is quite possible that before the present century comes to an end the population of the United Kingdom may reach sixty millions, or may even considerably exceed it. But the populations of Canada, Australia, and South Africa will ultimately reach hundreds of millions if no disaster supervenes. Therefore, in the British Empire no component part is likely to rise to such eminence that it will be able to domineer over the rest ; and consequently there is every reason to hope that if the people of this country recognise in time the drift of events and will conform to it, they may bring about a great League of Peace without the permission of which, to borrow the famous saying of Frederick the Great, " Not a shot in Europe dare be fired."

As already said, the most important service such a League could render would be the prevention of wars. But it is difficult to overestimate the value of such a service. During the next quarter of a century it is not to be anticipated that the self-governing Dominions, Commonwealths, and Unions will be powerful enough to put in the field forces such as would exercise a great restraining influence upon a military State of the first

magnitude determined upon aggression. But in the course of a quarter of a century or so, it may safely be concluded that the populations of the self-governing portions of the Empire beyond sea will double, or very nearly so. If they do, their aggregate populations will amount to 20 or 24 millions. Moreover, by that time, assuming that there is no disaster, the United Kingdom will have a population probably of over 50 millions. Therefore, the white population of the British Empire in the course of say a quarter of a century is likely to number something between 70 and 75 millions of people. Add to these all the other portions of the Empire. India already has 315 millions. What will she have in another quarter of a century? During that time the Indian people will obtain a more and more potent voice in the management of their own affairs. They will become more educated, and we may fairly hope much more prosperous. Therefore, India alone will by then be a very great power. Furthermore, to the white populations of the Empire and India there fall to be added all the other parts of the Empire, in a quarter of a century a large host. It follows that the portions of the earth which owe allegiance to the British Crown will be able to dispose of a naval and military force such as the world has never hitherto seen. And that force will be employed, we may reasonably hope, for the maintenance of peace. If it is supported by the United States, it is difficult to believe that any coalition, no matter how powerful it may be, will venture upon setting it at defiance. Therefore, assuming that such a League is established and that the Governments of the several parts devote their attention to promoting the common interest in every practicable way, the progress of the Empire must be very great.

There is only one dark cloud on the horizon, supposing that we get through the next quarter of a century without

a great war, and that such a League as is vaguely sketched out above is formed. The threatening cloud is due to the determination of the self-governing Dominions, Commonwealths, and Unions not to admit as settlers coloured people of any race or creed. White people will be admitted freely if they are not paupers, criminals, or weak-minded ; if, in short, they are capable of maintaining themselves and willing to work. But no matter how qualified a coloured man may be he will be excluded. The representatives of the Indian people in the Indian Viceroy's Council have given evidence already how they feel the stigma cast upon them. As they rise in prosperity, become more educated, and, therefore, more conscious of their own worth, they are likely to feel the stigma still more strongly. Therefore, it is to be feared that antagonism will grow up between India on the one hand, and the portions of the Empire which exclude coloured men on the other. It will, therefore, take all the statesmanship of the Empire to prevent a great calamity if the exclusion on account of colour is maintained. It is possible, as has been suggested in a previous chapter, that the Indian difficulty may be solved by promoting emigration on a great scale from India to suitable British territories, such as Uganda and British East Africa. But it is very doubtful indeed whether even that will soothe the susceptibilities of Indian gentlemen treated as undesirable settlers simply because of their colour.

Unfortunately, the whole difficulty would not be removed even if a means were found of soothing the susceptibilities of India, for the stigma so bitterly felt by Indians is thrown upon Japanese and Chinese also. Japan for the present does not need an outlet for her surplus population. Indeed, it is presumable that the Japanese Government, though it cannot but resent the insult offered to coloured men, yet is not sorry that its own people are diverted from

settlement in such attractive countries as Canada, Australia, and South Africa. Japan has to colonise the great island of Hokkaido, and to penetrate and Japanise Formosa, Korea, and Southern Manchuria. For a quarter of a century, at all events, therefore, it seems safe to conclude that Japan will feel no real need for a new outlet for its growing population. It is different with China. China already has a redundant population. At the present time China is not organised. The Imperial Government is not efficient. Neither are the provincial Governments. There is no really formidable and great Chinese army. Still less is there a really formidable Chinese navy. But all who know China are convinced that she is awakening. And seeing what Japan has done since 1856, who can say what China may do in a quarter of a century? At all events, it is perfectly clear that the policy of excluding coloured people, if it is persisted in, will be regarded as offensive in the future by coloured people of all parts of the world, and may be actively resented by India, Japan, and China. Is it possible by any device to ward off the danger? The question is one which it is to be hoped will receive the most careful consideration from all thoughtful men not only here at home, but everywhere throughout the British Empire. For it plainly is one that gravely affects the future of the Empire; indeed, that may involve it in bloody and ruinous struggles if it is not by some means satisfactorily settled.

INDEX

AFRICA, South, 445-456.

AUSTRALIA, 457-470.

BANKING facilities, 169 *et seq.*; in India, 309.

BRITISH East Africa and Uganda, 317-345.

CAMBRIDGE, Oxford and, 82 *et seq.*

CANADA, 433-444; Experience of, 60.

CANAL, Panama, 390; bearing on West Indies, 400.

CAUSES of national prosperity, 18-22.

CLASSES, Danger of war of, in England, 1, 2; Greece, Rome, and Italy, 3-9.

COLOUR prejudice, 321.

COMMONWEALTHS and Unions, Self-governing Dominions, 433-470.

COMMUNICATIONS, 155 *et seq.*

CONCLUSION, 495-506.

CONSERVATION of natural resources, 142 *et seq.*

CONSUMPTION, Production limited by, 31 *et seq.*

COTTON, in India, 241.

CROWN Colonies and Protectorates, 317-432.

DANGER of war of classes, 1, 2; Greece, Rome, and Italy, 3-9.

DESTITUTION, 177 *et seq.*

DOMINIONS, Commonwealths, and Unions, Self-governing, 433-470.

EDUCATION, Meaning of, 69 *et seq.*; Imperial, 485-494; in Egypt, 358; in India, 210 *et seq.*

EGYPT, 346-367; Education in, 358; Difficulties of government in, 346.

EMPIRE, 471-484; Education within the, 485-494.

EXPERIENCE of Canada, 60.

„ Greece, 3-9.

„ Ireland, 51.

„ Italy, 3-9.

„ Japan, 45.

„ Prussia, 42.

„ Rome, 3-9.

„ Russia, 49.

„ United States, 59.

FACILITIES, Banking, 169; in India, 309.

FEDERATION, West Indies and, 382.

FISCAL Reform, 13, 14.

FLY, Tsetse, 327.

FREE Trade, 22, 23.

GREECE, War of classes in, 3-9.

HEALTH, 120 *et seq.*; in India, 274; Sleeping sickness, 327.

HONG-KONG, Mauritius, Straits Settlements, and, 400-409.

IMPERIAL Education, 485-494.

INDIA, 188-316; Banking facilities in, 309; Cotton in, 241; Education in, 210 *et seq.*; Health in, 274; Irrigation in, 241; Land system in, 296; Meteorological observation in, 288; Railway construction in, 263; Viceroy's council in, 210.

INTRODUCTION, 1.

IRELAND, Experience of, 51.

IRRIGATION in India, 241.

„ the Soudan, 370.

ITALY, War of classes in, 3-9.

JAPAN, Experience of, 45.

- LAND system in United Kingdom, 129
et seq.; in India, 296.
- MAURITIUS, Straits Settlements, and
Hong-Kong, 400-409.
- MEANING of education, 69 *et seq.*
- METEOROLOGICAL observation, 288.
- NATIONAL prosperity, Causes of, 18-22.
- NATURAL resources, Conservation of,
142 *et seq.*
- NEW GUINEA, West Africa and, 422-
432.
- OBSERVATION, Meteorological, 288.
- OPPORTUNITY, 100.
- OXFORD and Cambridge, 82 *et seq.*
- PANAMA Canal, 390; bearing on the
West Indies, 400.
- PRODUCTION limited by consumption,
31 *et seq.*
- PROPERTY, 76.
- PROSPERITY, Causes of national, 18-22.
- PROTECTION, Working of, 53.
- PROTECTORATES, The Crown Colonies
and, 317-432.
- PRUSSIA, Experience of, 42.
- RAILWAY construction in India, 263.
- REFORM, Fiscal, 13-14.
,, Social, 10-11.
,, Tariff, 24.
- REFORMATION, reactionary, 133.
- RESOURCES, Conservation of natural,
142 *et seq.*
- RHODESIA, 410-421.
- ROME, War of classes in, 3-9.
- ROSES, Wars of, 133.
- RUSSIA, Experience of, 49.
- SCHOOLS, 110 *et seq.*
- SELF-GOVERNING Dominions, Common-
wealths, and Unions, 433-470.
- SLEEPING sickness, 327.
- SOCIAL Reform, 10-11.
- SOUDAN, 368-377; Irrigation of, 370.
- SOUTH Africa, 445-456.
- STRAITS Settlements, Hong-Kong,
Mauritius, and, 400-409.
- TARIFF Reform, 24.
- TEACHERS, Training of, 232.
- TRADE, Free, 22, 23.
- TRAINING of teachers, 232.
- TSETSE fly, 327.
- UGANDA, British East Africa and, 317-
345.
- UNIONS, Self-governing Dominions,
Commonwealths, and, 433-470.
- UNITED Kingdom, 1-187; Land system
of, 129 *et seq.*
- UNITED States, Experience of, 59.
- VICEROY's Council in India, 210.
- WAR, of classes in England, Danger of,
1, 2; Greece, Rome, and Italy, 3-9.
- WARS of Roses, reactionary, 133.
- WEST Africa and New Guinea, 422-432.
- WEST Indies, 378-399: Federation
of, 380.
- WORKING of Protection, 53.